

## **BOARD OF MAYOR AND ALDERMEN**

**April 6, 2004**

**7:30 PM**

Mayor Baines called the meeting to order.

The Clerk called the roll.

Present: Aldermen Roy, Gatsas, Guinta, Sysyn, Osborne, Porter, O’Neil, Lopez, Shea, DeVries, Garrity, Smith, and Forest

Absent: Alderman Thibault

Mayor Baines stated first of all I have a couple of announcements. One is from Alderman Roy about a meeting in Ward 1. Would you explain where that is and the time and all of that?

Alderman Roy stated we are having a constituent meeting with several departments represented for community input at 7 PM at Webster School in the gymnasium and everyone from Ward 1 is more than welcome to attend.

Mayor Baines stated also this Saturday morning at 10 AM the public is invited to the opening of the new fire station in Ward 6 on East Industrial Drive, Engine 8 I believe. That will be at 10 AM. We would like to invite the public down to see this beautiful fire station that has brought the same response service to that area of the rest of the community and was a significant investment in increasing services to our community and we are very proud of that fire station as all of the citizens of Manchester should be. Come down and see what your tax dollars are doing to protect our community. Secondly, at noon at Gill Stadium we are having a rededication. This is going to be a very significant day in the history of the City. People who know the history of that historic stadium going back to the Amoskeag Manufacturing Company and its use as a textile field in the early 1900’s and the significance of that facility to youth sports in the City will be very pleased to see a very proud athletic complex come back to life to serve the youth of our community. One again, tax dollars at work and a good investment in our community to serve the youth of our community. People are going to be very, very proud of that facility and those who are looking to what Manchester is doing need to look at projects like Gill Stadium and the school project. We are very proud to invite people to Gill Stadium. Bring your balls and gloves and play catch and run the bases and sit in those brand new grandstands. Alderman Osborne has been very helpful in having us contact members of the Gill family who will be there for the rededication of that stadium. That is going to be a very proud day for the City of Manchester. Also, I was proud yesterday to welcome the New Hampshire Fisher Cats to Manchester. Two questions I heard first were “where is the Wal-Mart” and “can you get me

tickets to Britney Spears”. They are very excited. They are great young men who have come to Manchester to play the national pastime and people are going to be very excited. Their opening game is Thursday morning at 10:30 AM in New Britain, CT. I will be down there to see the first pitch for the New Hampshire Fisher Cats. They will be opening at Gill Stadium on April 15 and we will make sure the field is plowed from all the snow that we might get between now and then. So, it is quite an exciting time for Manchester. I would like to invite Captain Rodney Freeman to come front and center. If Alderman Shea could join me and Alderman Lopez as well. I have the following Proclamation that I proudly present on behalf of the citizens of Manchester today:

**PROCLAMATION**

- Whereas

Captain Rodney Freeman, Battalion Administrative Officer, along with the dedicated volunteers of the New Hampshire National Guard 1<sup>st</sup>/172 FA, have for several years participated in the Adopt-A-Block program; and
- Whereas

Their effort not only makes the Manchester Armory more attractive, but their work also beautifies the roads and land around the Armory; and
- Whereas

These volunteers have shown not only a dedication to their country, but to community efforts that make Manchester a great place to be,

**NOW, THEREFORE, I, Robert A. Baines**, by virtue of the authority vested in me as the **Mayor of Manchester**, do hereby proclaim April 6, 2004 to be

**New Hampshire National Guard 1<sup>st</sup>/172 FA Day in Manchester**

In witness whereof, I have hereunto set my hand and caused the Seal of the City to be affixed this 6<sup>th</sup> day of April 2004.

S/Robert A. Baines, Mayor

Mayor Baines stated I would now like to introduce a dear friend of mine, John Wood, to make presentation regarding the Valley Cemetery.

Mr. John Wood stated I am Chairman of the Friends of the Valley Cemetery. It is a pleasure to present this Powerpoint presentation. It will take about 10 minutes and I will quickly run through some of the history of the cemetery, take a mini tour of some of the famous people buried there, talk about the group the Friends of the Valley Cemetery, go into the Master Plan, go into the restoration that is now going on and go into the funding that is being obtained for the project. It is very important to realize the location of the Valley Cemetery and I believe this slide really points out the fact that it is next to the Verizon Arena and very close to the new ballpark and right on Elm Street. Certainly when the warehouse district is

developed it will be a very integral part of that complex. As people are at the warehouse district they will walk through the Valley Cemetery and enjoy the pleasant surroundings. By that time we hope to have drinking fountains and it will certainly be a wonderful place to use. Going back quickly on the history the land was deeded to the City of Manchester in 1984. By 1911 there were 13,511 people buried there. A chapel was built in 1932 and unfortunately the slide that you are looking at today doesn't represent what the cemetery looks like. A sewer pipe was run through the valley and now it is nothing but grass. There are plans on the drawing board to fix this situation and we are hoping in the future to restore many of the paths and buildings that were in the valley of the cemetery to make it a beautiful walking area as it was at one point. You will see that we have many famous people buried in the cemetery – three governors, eight mayors and many of the founding families. We run guided tours of the cemetery during the summer and on our website we list those guided tours, which will be posted later this week. Going through some of the famous people, Ezekiel Straw was the man that deeded the land to the City. This picture shows Ron Johnson, myself and a gentleman from the state that presented to the City of Manchester the historic registration for the Valley Cemetery. This is the first cemetery in the state that has been registered on the historic register. We have now filed the national registration form and expect to get that sometime in the summer. As you can see, Mr. Straw become Governor of the state in 1872. Another famous person was Frederick Smith. He was Mayor and later became Governor and his wife gave money to the City for the Smith Musical School, which is still in operation today. Everybody knows Moody Currier, the Currier Art Museum. He also was the Governor for the State of New Hampshire. Mr. Blood manufactured locomotives here in Manchester and was one of the leading companies in Manchester at that point in time. His daughter donated the money for the Institute of Art that we enjoy now. Edward Harrington was the first restaurant owner in Manchester. He became Mayor and certainly was a very important figure in the City. William Hurd was one of the first bookies. He had the first phone and telegraph in his office to announce the races. Going over some of the things of the Friends of the Valley Cemetery, we were organized in 2001 as a 501-C3. Our group sponsors many neighborhood activities. We hired the firm of Visage, which is chaired by Martha Lyon who is here in the front row tonight. Martha has developed a Master Plan, which we will briefly go over in a minute. Some of the things we do is this year we are going to have our second annual Strawberry Picnic, which will be on June 19. We have a tree identification program. Starting in about two weeks you are going to see tree signs on every tree in the cemetery giving the species. We will have cemetery tours. The children from the schools will be down there planting trees and we will have other special events throughout the summer. This is the Master Plan that was developed by Visage. The engineers went into great detail to make an assessment of all of the various things. Here is a group of them. They are architects, engineers, stained glass restoration people – certainly a broad spectrum of very knowledgeable people. What Martha Lyon did was divide the Master Plan down into nine different projects. We are presently involved with Projects 1 and 2, which you can see is approximately \$1.2 million in cost. Project 1 – last June we took down the gate at the corner of Auburn and Chestnut Street to be restored. Last week the City

went into a contract to have the concrete work underneath the gate upgraded, which will be done this spring. We had one section of the fence on Auburn Street completely removed last week for a test refinishing later this month and going on the rest of the fence on part of Auburn Street will be coming down. We will be installing period light posts and park benches. Here is a picture of the gate coming down. Here is the fence. Many people that contribute larger sums of money, such as St. Mary's Bank, will have their name recognized on the temporary fence that will be going up while the old fence is being repaired. Many of the trees were cut down, others pruned and new trees will be planted in the spring. We will be working on Pine Street doing much of the same thing we have done on Auburn Street as time goes on and we will be erecting a flagpole near the chapel. Money for the work that is being done so far came from a number of sources. The one thing I would like to point out is that many of these were grants that had to be matched by the City and the City, through CIP matching funds, has put in \$265,000 to the Valley Cemetery as of today. Our capital campaign is underway now. It started the first of the year. Our goal is to raise \$1.2 million through the first two phases. We have already raised \$600,000. We are very proud to have as our honorable Chairman, Mayor Robert Baines. That concludes the presentation.

Mayor Baines stated on behalf of the City, John, I want to commend you for your efforts. Leo Bernier, the City Clerk, just said thank God for people like you. We have so many people in our community that are looking after our history and looking for opportunities to respect our history and I really appreciate all of the Friends of the Valley Cemetery and their efforts.

Mayor Baines stated we will now have a presentation by the NH Department of Revenue Administration presentation regarding the State Education Property Tax abatement application criteria for low to moderate income taxpayers.

Ms. Baerbel Wills stated I am with the NH Department of Revenue and with me is Donna Ferland, Director of Document Processing. I would like to welcome you here tonight. I am here this evening to talk to you about the low and moderate homeowners property tax relief and I would like to talk to you a little bit about various aspects of the program and if you would permit me to go through the whole presentation and hold your questions until the end because I hope that I will answer most of your questions throughout this presentation. I would like to begin with the filing requirements. We did hand out some forms. These are draft forms of the claims and also a copy of the presentation itself and the frequently asked questions brochure and I hope they will all be helpful to you. Part of the filing requirements are that eligible claimants shall apply to the Department of Revenue Administration using the form DP-8 and an eligible claimant is a person who owns a homestead or holds an interest in a homestead subject to the State education property tax, a claimant resides in such homestead on April 1 of the year for which the claim is made, which in this case would be for the year 2003 and realizes a total household income of \$20,000 or less for a single person or \$40,000 if it is a married person or head of a NH household. Some of the important

definitions for this would be a homestead means a dwelling owned by a claimant or in the case of a multi-unit dwelling the portion which is owned or used as the claimant's principal place of residence and the claimant's domicile. Household income means the sum of the adjusted gross income for federal tax purposes of the claimant and any adult member of the claimant's household who resides in the homestead. Head of a NH household means any person filing a federal income tax return as head of household or two or more adults who jointly share the benefit of the homestead. NH households do not include those adults who share the homestead under a landlord-tenant relationship. An adult means a person who has attained the age of 18 years. Under household income I would like to add that it does include if you have a child living with you that has attained the age of 18 and earns an income. Also if you have an elderly parent living with you that earns an income you must also include that income. I would like to go over the DP-8 claim form at this point. It is comprised of five steps. Step 1 includes the name, address and social security number. We do ask that it is filled out for the claimant. So if your property is held in trust and your property tax bill is in the name of the trust, we ask that the claim not be filled out in the name of the trust but in the name of the claimant. Step 2 talks about the property location, which includes the municipality that the property is located in, the map and lot number, which is generally on your property tax bill, and in most cases there is also an account number on your property tax bill and we ask that that be included. If there is no account number then simply put n/a for non-applicable on that line. One of the most important questions on here is did you reside in the homestead on April 1, 2003. You have to answer that question for us as it is one of the qualifying factors for the program. If you leave it blank we have to write to you and ask you if you did so by simply checking off yes I did it will speed up the process of getting that relief check out much quicker. Step 3 is the financial information. If you are single obviously you check off single. If you are married or head of a NH household you would check off Table 2. Under Line 10A you would add the adjusted gross income from your federal income tax return. If you are not required to file a federal income tax return, you leave this line blank. You do not fill in anything. You leave it blank or put a zero here. Line 10B is if your property is owned by a trust and must file its own federal income tax return and in most cases if your property is in a trust that trust does not file its own income tax return. It is only if it is an income bearing trust that you would have to file that return and it would be a federal 1041 and I don't know that I have seen any of those last year. If you don't know, probably you don't have to fill anything in and you don't have to worry about it. On Line 10C that is the total adjusted gross income received for all adult members of the NH household who were not required to file a federal income tax return and there are quite a few people out there who are not required to file a federal tax return. If all you receive is social security income, please do not fill in that line. Do not put your social security income on that line. Line 11A is simply the total of the above three lines and on Line 11B we ask you to check that off if there was no adult member in the household that was required to file a federal income tax return. We do ask that a statement be attached to this claim form simply stating that there was no requirement to file a federal income tax return and have it signed. It does not have to be typewritten. It does not have to be

notarized. Just one line saying I was not required or no member of our household was required to file a federal income tax return and sign it and attach that and that will suffice. Step 4 is the actual relief calculation. There is on Page 4 of your claim form an example of how to go about that and we can go into that a little bit later on. Step 5 are the copies and signatures that are required to file this claim. This is the example on Page 4, I believe, of your relief form. Sorry, Page 3 of your claim form. There is an example there that we have put together and these are the assumptions to be used for this example. Joe and Jane Taxpayer own a home in Boscawen, NH. They are married and they have a 2003 AGI, adjusted gross income, of \$17,600. They have an elderly parent that resides in their homestead with \$6,400 of taxable interest income but the parent does not reach the threshold to file an income tax return for federal purposes. The net assessed value of their final property tax bill is \$73,000 and they are shown as joint owners. The Boscawen state education property tax rate is \$4.06 from Table 3. The decimal number for a married couple is 1.0 from Table 2 and their relief amount would be \$288.26. You go through the example following these assumptions. In Step 2 we entered the homestead location. It is located in Boscawen. We put in the map and lot number information and that they resided in the homestead on April 1. In Step 3 we filled in their financial information. We checked off Table 2 because they are married. We filled in their adjusted gross income from their federal return on Line 10A, which was \$17,600. On Line 10C we entered their parents taxable interest income and we totaled that on Line 11A. In Step 4 the decimal percentage for the 100% ownership is 1.0. We did put an example next to it as to how you would put down the decimal ownership presented. On Line 12B we entered the total assessed value of the property. We multiplied Line 12A times Line 12B and on Line 12B entered the total amount from Table 3, Column C on Page 4 for the municipality, which was \$71,000 and that is the equalized value. We divided Line 12E by \$1,000, which gave us \$71 and entered the state education property tax rate, which we got from Table 3, Column B on Page 4. We multiplied those two lines, 13 and 14, and came up with the \$288.26. We then had to find the decimal number on Table 1 or Table 2 and in this case it was Table 2 because this was a married couple on Column B of Table 3, which was 1.0 and calculated the relief to be \$288.26. I know this is a little difficult to go through in a group session but we are available at the department to help anyone who needs assistance in calculating their relief. If it is done incorrectly on the form, it is all double-checked by the computer and we will recalculate it for you if need be. I would like to go over the information that needs to be submitted with the claim. Obviously the low and moderate income homeowner's property tax relief claim form completed; copies of pages 1 and 2 of the federal income tax return for the corresponding period if you were required to file; copy of the final property tax bill showing the net assessed value of the homestead property and any documentation creating ownership, equitable title or beneficial interest in the homestead. If the property is owned by a trust we need a copy of the trust document indicating ownership rights. Now there are two different types of trusts. If it is a revocable trust, we really only need pages 1 and the last page of the trust. If it is an irrevocable trust, which are much more complicated because there are many more clauses in it, we do need a copy of the whole trust document. We also need any other

explanatory statements and if it is a joint ownership we may need a copy of the deed. I would like to go over the information for the documentation that is required. For instance if there was a name change, if we receive a claim for let's say Jane Doe and the property tax bill that is attached is for Jane Smith, we don't know why there is a difference in the name so if you can attach a statement explaining that, that is very helpful. For instance, if there was a marriage or a divorce and that is why the name changed, that would be very helpful for us to know. If you attach that right up front we don't have to write to you asking for that explanation so we can process your claim much quicker. If we get a claim for Jane Doe and the property tax bill is in the name of Jane and John Doe and you attach a copy of the death certificate or an explanatory statement saying my spouse is deceased, again we don't have to write to you asking for an explanation and we can process your claim much quicker. If more than one person is listed on the tax bill but only one person is indicated on the DP-8, we may need a copy of the deed and there are several reasons we might need a copy of the deed. Sometimes for estate planning purposes someone might put their children on the deed. This is very good for estate planning purposes because you do not have to go through probate, however, for the purposes of this program that may not be necessarily a good thing to do. What it does is you have given up legal ownership of your property and you may not get 100% of the relief that you thought you would get. So by giving us a copy of your deed if you have all five of your children on the deed by just quickly looking at your final property tax bill we might say you are only entitled to 1/6 of the relief whereas when we look at the deed by the wording of the deed we may be able to give you half or 50% of the relief. If your form DP-8 was postmarked prior to May 1 or after June 30 we may need to reject that claim as well unless we have received an explanation why you needed to send it to us prior to May 1 or after June 30 because by statute the filing period is May 1 through June 30. The common filing errors we found last year were that the signatures of the claimant or co-claimant were missing, that the tax bill was not submitted or that we got the incorrect tax bill, that the claim indicates the property is not the primary residence. We did receive several claims last year for vacation property. People who are residents actually of Massachusetts tried to claim their vacation property in New Hampshire and tried to get relief on it. It is pretty amazing. The name on the tax bill did not coincide with the name on the claim form. We had quite a few of those. Copies of the federal tax return were not submitted or explanatory statements were not submitted. Those are all very time consuming if we have to write to the claimants and ask for these. When and where do you file? The form DP-8 will be made available to the public no later than April 15. We are really striving to meet that date. It may be a little bit later than that as we are still not quite finished with the setting of the equalization rates but we are working very hard toward meeting that deadline. You can receive the form on our web page at [revenue.nh.gov](http://revenue.nh.gov). You can get them at the local municipal offices, your local library or by contacting our forms line at 271-2192 or by visiting us at 45 Chenell Drive in Concord. You can complete the form and it must be postmarked no earlier than May 1 and no later than June 30 and the completed form should be sent to the NH Department of Revenue, PO Box 299, Concord, NH 03302-0299 or delivered to us at 45 Chenell Drive in Concord. Where can you get the answers? You can

get them at the Taxpayer Assistance Office, 271-6000 between the hours of 8 AM and 4:30 PM Monday through Friday or by visiting us at 45 Chenell Drive and there will always be somebody available to give you person-to-person, one-on-one assistance. You can review the Frequently Asked Questions Brochure. We tried to answer the most commonly asked questions from last year. You can visit our website at [revenue.nh.gov](http://revenue.nh.gov). I do have some numbers for you that we put together. Last year, Manchester residents filed claims. There were 1,491 claims filed and 1,431 relief checks were sent out. That means that only 60 were rejected for various reasons. We paid out to Manchester residents \$515,347.36 in relief and that made for an average relief check of \$360.13.

Alderman Gatsas stated thank you very much for the presentation and I am sure the people watching will be flooding your phone lines tomorrow. I guess some of the questions that I have and maybe it doesn't really deal with these forms but I understand that through the budget process we allocated I believe at the state budget somewhere around \$9 million for FY04 and \$1 million for FY05. My understanding is that about \$6.5 million has already been allocated for FY04, which leaves us a balance of \$2.5 million for FY05. If we have done those kind of numbers in Manchester and with your viewing here this evening...what is the statewide number that was filed last year?

Ms. Wills responded I didn't bring the statewide number with me.

Alderman Gatsas stated my question is has the department made a decision if it is going to be a first in first out basis for payment of claims or is it going to be a collection of claims and then a proration of what is in the fund.

Ms. Wills responded you will probably have to direct that question to Commission Blatsos.

Alderman Gatsas replied I have done that and I was hoping that you might have come with a response this evening.

Ms. Wills responded he did not give me one. I am sorry.

Alderman Gatsas stated well maybe you can tell him that I am still waiting for mine.

Ms. Wills responded I will.

Alderman Gatsas stated the question that I think is imperative to the question watching is one, the privacy issue. There is great concern that the filing of this form requiring tax returns and the privacy issue. Do local people get to see this form and the filing paperwork with those forms?



Ms. Wills responded these forms are handled in the same manner as all other tax returns in the Department of Revenue. Every employee of the department signs a confidentiality agreement and statement and we are bound by that. Everything is locked up. We are not allowed to browse the information meaning that if I am going to look at any one of these claims I have to have a good reason for looking at one of these claims.

Alderman Gatsas replied I wasn't so concerned about the department at the state level. People in Manchester are more concerned with whether local officials in the Tax Collector's Office or the Assessor's Office get to see any of these documents or are they all sent to the state and the filing is done there.

Ms. Wills responded they are all sent to the state and the filing is done there. This is strictly a state run program and no one outside of the department is allowed to see these documents unless they have a power of attorney from the claimant.

Alderman Gatsas stated my understanding is that the department has been very helpful that if people physically go to the department you will assist them in completing these forms.

Ms. Wills replied that is correct.

Alderman Porter asked is there any asset limitation as there is with elderly exemptions. I know that what I have seen here deals more with income. Could a person have a condominium at Lake Winnapasaukee and still get a homestead exemption?

Ms. Wills answered that is correct. There are no asset limitations. This is strictly based on a year by year income. I recently had a question where a lady had sold some stocks so in one particular year she did not qualify but the next year all of that money was just sitting in the bank and she was just drawing the interest so the following year she did qualify. It is strictly on a year-by year income basis.

Alderman Porter asked was it originally mentioned when they formulated this...was asset considered and then discarded.

Ms. Wills replied I am not aware that assets were ever considered.

Alderman Shea stated there was a discussion here that \$10 million was available last year. Is that correct?

Ms. Wills responded I am not sure what the total was that was available.

Alderman Shea stated well my understanding in discussions at this level was that a considerable amount of that money has been utilized and that approximately \$4 million is available now. Am I off statistically or am I kind of in the ballpark?

Ms. Wills replied I am afraid that I deal strictly with the processing of these documents and not with the funding of it.

Alderman Shea asked well my follow-up question would be if the same number of people from Manchester were to apply this year and the same number were rejected because of whatever matters come up and they don't fulfill it would these people be able to receive any kind of help in your opinion.

Ms. Wills answered to the best of my knowledge, yes. I have not been advised that anyone that applies would be rejected for lack of funding.

Mayor Baines stated thank you very much for your presentation. I would now like to call up representatives from the NH Municipal Association and Local Government Center – John Andrews and his staff to talk a little bit about the NH Municipal Association and respond to any questions from members of the Board. It will just take a couple of minutes for them to breakdown.

Mr. John Andrews stated I am the Executive Director of the NH Municipal Association. We operate under an umbrella organization called the Local Government Center now but I have with me Maura Carroll who is general counsel on my right and Jonathan Steiner who is our Associate Executive Director for Member Relations. I am assuming that the letter I sent to Alderman Lopez after his phone call with me has been circulated but I believe we handed out another copy of that already. The other item that I would like to speak from is the summary of services that the Association provides and how they relate to Manchester. The communities in New Hampshire, the smallest towns and largest cities belong for a variety of different reasons. Some for day to day assistance, particularly the smaller communities and others, particularly the larger communities, for our legislative effort and some of the things that we do in a global sense that assist their staffs. A lot of the things that we do might sometimes be under the radar screen if you will of the Board of Mayor and Aldermen or City Council or even a Board of Selectmen in a larger town like Bedford for example but our legal advisory services are available for any city official or Alderman who can call on our watts line and ask inquiries of our legal staff about their duties and general statutes and that. We get something like 1,000 phone calls a week in the office. About 400 of those relate to our insurance programs. The other 600 are calls dealing with legislation or they are dealing with legal inquiries and they can be salesmen too. We do get those. We have a computerized wage salary and fringe benefit survey that is a searchable database and this past fall is the first time we headed in that format. We are working to enhance that. Ultimately our goal is to add more positions, including school positions like teachers and

administrators and also to have it interactive over the Internet so that anybody who is a local official can get on it and use it and sort the data and ultimately we would like to have it so that people can update their own data. We do a large amount of training. We train over 5,000 local officials a year. We have publications like NH Town & City that comes out. We have a set of Welfare guidelines that is a model and since 1977 has been referred to by Federal and State courts as the model for adjudicating Welfare cases that come to them and these guidelines are a basis of guidelines that virtually every community adopts and amends each year. The training programs that we do we can bring down to the community level and come in and do programs, for example, for the Board of Mayor and Aldermen or for your Planning Board and your land use boards on appropriate laws and our annual conference, which we hold here in Manchester every year in November attracts over 700 local officials and staff from around the state. We had a Welfare Administrator from a large city who is no longer in office come to a training program some years ago and one of the pieces of information that this person picked up was the difference between 365 cumulative days and 365 consecutive days. That was important because at that time before welfare reform if you assisted the person for a total of 365 days you could transfer the cost of that assistance on to the county and get it off the municipal budget. This person was surprised to learn that he had always been applying 365 consecutive days and he said it is no wonder I had never been able to transfer any case on to the county budget. I don't know how many millions of dollars not knowing that cost that person's community but clearly they made some changes. We have pulled insurance programs and I would say that the health insurance program that we run, which covers over 65,000 local government employees and dependents in the state is probably the one that has most affected your budget of our pool programs. In 1997, we gave the City a quote that saved them \$357,000. That was the computation of Harry Ntapalis who is your Risk Manager. The City stayed with Blue Cross/Blue Shield at that time because the Blues sharpened their pencil and came back with a matching figure. In your 2002 budget, our quote would have saved you \$800,000 if you had come with us. You stayed with Blue Cross/Blue Shield that year again because they sharpened their pencil and were able to match that. Those are bonafide savings that you wouldn't have gotten if you hadn't had somebody out there that is giving a competing quote and really put the enforced carrier in a position of having to reduce their costs. When you look at the 1997 savings alone...you know when you save \$357,000 in one year that isn't just one year's savings. You save that same \$357,000 the second year and the third year and the fourth year add infinitum. Sure your costs go up but it doesn't include that \$357,000. The same with the \$800,000 in 2002. So just that \$357,000 since 1987 has accumulated to over \$4 million in savings. This year, for example, we saved the city of Laconia \$300,000 in their budget. That is 20 cents on their tax rate. They are coming with us. We have given the City of Manchester a quote for the fiscal year starting July 1, 2004 and it was not the least expensive. We are not sure why. We are actually looking into that because we are usually able to...because of our lower administrative costs and some of the savings that we have effected on reinsurance we are usually able to come in lower than our partner, Anthem. We are still preparing a quote for the school system. We don't know what those numbers will be yet. Our legislative policy

and advocacy is a critical service that really has some advantages for the City and I know from reading the newspaper and from what I understand that there is sort of a debate going on about should the City have its own dedicated lobbyist versus using us and I don't think those are necessarily mutually exclusive. We have three full-time lobbyists that represent municipal concerns. They are there year round. When the Legislature is out of session or when they are holding study committees they are guided by policies that the membership adopts. Manchester is guaranteed a permanent seat on our municipal advocacy committee that directs our lobbying activities if something falls outside of our legislative positions. You receive a weekly legislative bulletin. Now I went back to 1989 because Alderman Lopez in his phone conversation with me was really I think very specific in terms of what kinds of dollars are involved in the work that we do. What I have done in this summary is show you some, including the 1989 proposed phase out of the hold harmless provision for general revenue sharing and that saved over a four year period \$3.2 million for the City of Manchester and that benefit has been accumulating again like the health insurance savings from 1995 to 2004. That is the total amount of dollars that the City has received in aid since 1991 that they wouldn't have gotten if we hadn't killed that proposal to phase out the hold harmless on revenue sharing. 1990 was some work that we did with the city of Concord in filing a brief in 1<sup>st</sup> Circuit Court in Boston. You can read that but the case was that legal aid wanted state welfare recipients to be able to go to local general assistance and receive supplemental benefits if the state cut its aid. That included programs like aid to the needy, blind and aid to the permanently and totally disabled as well as TANIF programs. Manchester, as the largest city, has the largest numbers of state aid recipients. That year you had 8,000 that resided in the City and if each one of those got \$25 a month in supplemental assistance, it would cost you \$2.4 million a year. The State Retirement System. In 1991 we managed to get passed a bill that revised the computation to the system and the state itself in their study of the impact of SB51 said that it saved the City of Manchester \$1,640,000 a year and that, again, is continuous. As you read down there, denial of motor vehicle registrations. The Tax Collector, Felix Catudel, said the year we got that passed it was worth \$210,000 to the City. Increased rooms and meals revenues that we worked with a Manchester Senator on. Downshifting of state welfare responsibilities when federal and state welfare reform came in. New highway monies. Set-up costs for education property taxes in 1999. We lobbied an appropriation and fought hard for it and Maura Carroll is responsible for it that guaranteed each community a minimum of \$12,000. Manchester's share was \$211,000 that year. Proposals to have the state capture the interest investments, the float if you will on monies that are either local aid monies or local tax revenues. Every time one of these comes up we contact Kevin Clougherty and he does a calculation. Kevin, in fact, was in the back room if you will the day that Maura fought to retain the float. He was there making that pitch too. We do work with City staff. There are a lot of things that we handle – dozens of things that are really kind of below the radar screen for the Board of Mayor and Aldermen and even for Boards of Selectmen and there are things from the laws that govern how you amend your Charter and I know you have gone through that a couple of times to the regulation of Segways and how you can do that on the streets and sidewalks. Your dues are

\$25,958. They are about, for example, 1/3 of the dues that you pay to the Regional Planning Commission. They are based on population and equalized value. They are actually a fixed amount of \$25,000. They are capped at \$25,000 but with annual adjustments for the CPI. Over three years it has gone from \$25,000 to \$25,958 so you can see that it doesn't creep up a lot. The old adage that if we don't hang together we will surely hang separately is true when you are representing issues before either the federal or state legislature. It is really critical for the success that everybody has to present a single and a unified message. If it looks like cities and towns are splitting up and going their own ways and their voices get weakened before the Legislature then they get played off against each other. We would encourage you to continue to belong to the Association and I would be happy to answer any questions that you may have.

Alderman Lopez stated thank you very much. I have learned a lot about the Association since February and I thank you for your comments. Could you just capitalize about the full-time lobbyist? I am interested in the position that we have on your board and whether or not the lobbyist, if we had a certain issue, that the lobbyist would take it up under the interest of the City of 108,000 population. Would that be a separate issue or how would we work on an issue like that?

Mr. Andrews responded first of all let me address the second part of your question. The Municipal Association as I said underwent a reorganization. We had three different boards. One that governed the association, another one that governed its health trust and another one that governed its property and liability trust and we had something like 53 local officials on it. Each board met with sub-committees every month or six weeks and it was very inefficient because sometimes we had to move proposals and ideas through all three boards and through at least two committees of the boards before it got to the full board. Last year our boards voted to come together under one umbrella organization called the Local Government Center that recognized that we do serve in different ways a number of stakeholders in local government, including schools and counties, particularly through our insurance programs. That overall board has 31 people and it does have school representation on it, as well as employee representation. The Municipal Association still exists as a component entity. They have a municipal advocacy committee, which is composed of the municipal officials that are on the large board, as well as a number of other local officials including we guarantee the two largest member communities a seat on that board. The city of Nashua and the city of Manchester and they participate. That is to insure that somebody is there and has the right and the ability to put their community's oar in the water if you will on any issue that that group deals with. In terms of how we lobby on a day-to-day basis and how are lobbying staff relates to the City staff, I am going to turn it over to Maura Carroll who is our general counsel and one of the three full-time lobbyists.

Ms. Maura Carroll stated the way that we deal with particular issues as they relate to individual communities is that typically if it only affects one community, and that is very

rare that that happens but when it does we typically are not involved on the front line. We will provide assistance to the community in getting information to the Legislature or in disseminating it to other municipalities to see whether there can be further support. Typically, our effectiveness would be issues that are similar in many communities. Now obviously communities are going to have different interests on different bills and there are some issues that are so divisive among communities that it has been difficult for us as an association to have our members decide on a position. The education funding issue is one of them. However, what we have tried to do again is to provide enough information that individual communities can then get involved on their own and make sure they are connecting with their legislators in an effective way.

Mr. Andrews stated I am trying to think. There obviously are in every session a few bills that you might call City of Manchester bills or City of Nashua bills or Town of Boscawen bills. Where those are consistent with our general legislative policy, we do work to support those but for example as Maura indicated very rarely does an individual bill solely affect on community unless it is to have the state pay to realign Elm Street or something where it is clearly just the City. Often times what we get are bills that are aimed at addressing a local problem that might be in Sandown, NH. I have to tell you the same laws that govern Sandown govern Manchester and if somebody gets that through that addresses some local political squabble and I don't mean partisan but just a squabble within the Town of Sandown, the City of Manchester can find itself having to obey that law and follow it. That is how I mean they have an impact. We know, for example, that the City has a pledge of commitment of its increases in rooms and meals tax revenue in particular. It is like no other community because I understand they are going towards the bonds for the civic center and that. Keeping that increase is critical to every community but it is more critical to the City of Manchester because you folks have issued bonds built on that expectation. We are very well aware of things like that and when somebody threatens it, that is one of the first calls we make is to the City because we know that you have got a bigger stake than just the box if you will.

Alderman Shea stated I guess we can categorize this like "a mere study without thought is useless but thought without study is dangerous." I was taken by your statement regarding priorities are difficult in a sense. Now what happens when they become difficult? Do you just stop your process? What happens when they become difficult and one community would be sort of...it is a similar situation but one community will benefit at the expense of the other community and both are part of your municipality?

Ms. Carroll responded what our members have typically done on those issues has been to give us a direction not to take a position because if we are taking a position that is going to hurt one community at the expense of another then we simply don't take that position. However, before we get to that point we work very hard to bring our members together and to talk about the issue on an ongoing basis to see whether there is common ground.

Alderman Shea asked if one community has a lobbyist active for them and the other community does not have, does that in your judgement place one community at a disadvantage over the other who has the lobbyist working for them.

Ms. Carroll answered I don't think it places one at a disadvantage over the other. We like to think that as representatives of almost all of the communities in New Hampshire that every community has some voice whether they are able to personally be at the State House or not. If you are choosing to have someone individually representing Manchester on issues that affect only Manchester then certainly that is your prerogative and your decision as policy makers for the City. Whatever happens, we as an association would hope to continue to work with the City and to represent you on those broad issues and most of the issues that we deal with on a municipal basis are broad issues. We will continue, obviously, throughout any process to provide information so that you will have the information with which you can make good policy judgements.

Alderman Shea asked without putting one against the other, is it beneficial for a community to have a lobby group working for them in addition to the services of course that you people may render in your opinion.

Ms. Carroll answered right now there is only one other community that has an individual that is working on behalf of just that community. The City of Nashua actually has a staff person who is present at the State House on a regular basis. That person obviously has only that community as a client and I think that is a real advantage to the community. What we have found as an association is that we work very well with that individual and we have continued to keep Nashua as a member and we have worked together very well at the State House.

Mr. Andrews stated obviously the two issues, I think over the 29 years that I have been here the two most divisive issues among the membership as you can probably imagine deal with money. One is how the state raises it. We have a pretty large block of members, but a minority, less than 50% who probably would support a sales or income tax. We have another large block, probably less than 50% who absolutely are opposed to it and then a few that are sort of in between. That is an issue that the members over several decades of discussing the problem have come to the conclusion that they are never going to get a consensus. They are never going to get a majority one way or the other so it is better not to jump down that rabbit hole if you will. The other is education funding. As Senator Gatsas knows when you are pushing around a fixed amount of money and the formulas change and that, some places don't get as much as they did last year and others get more unless there is more money in that pot. You have the 44 so-called coalition communities led by the city of Portsmouth who have been very vocal and have spent hundreds of thousands of dollars in litigation and lobbying to try to build a statewide property tax and then reduce it. Then you have a group organized by a Selectmen from Danville, Mike Asselin, who has about 60 or 70

communities in the group that is pushing for more aid. So unless there is more money in that pot and now you are back to the question of how you raise it, you know there is going to be a whole bunch of winners and a whole bunch of losers no matter how you cut it and that is very divisive to the membership.

Alderman Porter stated I have a question that I should know the answer to but I must confess I don't. In your letter, John, you write that Manchester could eliminate \$25,958 from its FY05 budget to hire someone. What is that \$25,958?

Mr. Andrews responded that is your annual dues.

Alderman Porter asked so we would not then belong to the NHMA. Is that accurate?

Mr. Andrews answered that is right.

Alderman Porter stated well I can tell you first hand as a former Assessor for 22 years in Manchester that I would not want to see that happen simply because the information that I as an individual Assessor and the boards that I worked with and served with had invaluable information from time to time on many, many issues. I would like to also mention that in addition to the NHMA most of the departments...I know the Tax Collector personally and she informs me that they are very active and have a close relationship with the NHMA. I know the Assessors Association and I continue to attend those meetings in order to keep the credit for my CNHA designation, that the Assessors Association is on top of things many, many times and also has the cooperation of the NHMA. In fact, we have a distinguished lawyer here named Maura Carroll who received the Lawton Chandler award a few years ago and that shows the highest level of dedication to the assessing function in the State of New Hampshire. I would encourage that we remain members of the NHMA.

Mr. Andrews stated a lot of this relationship is historical and the problem with having been around for 29 years is that I remember it but new people in office in local governments don't but impact fee authority. The City of Manchester has an ordinance that levies impact fees. I think that on the townhouses and condos on the ballpark development you are expecting around \$124,000 in impact fees if it happens. That is what I believe I read the calculation was. What people don't know is it took us four sessions in the Legislature back in 1978 or 1979 or 1982 to get that through. We got hammered three times in a row at least and finally got it. I believe Governor Gregg was there. Sometimes we are the beneficiaries of things that occur that maybe we are not fully aware of. I think at that time he was having some dispute with the construction industry or whatever and he sided with us on that. I don't know if you register motor vehicles here at City Hall but that is a bill that we got through the Legislature. I wrote it and patented it after the state of Maine, which started having local governments register motor vehicles. What people don't realize is that was a red herring. That proposal was for the Department of Safety to collect all local motor vehicle fees that



City Hall collects now, which I am sure is in the tens of millions of dollars for the City of Manchester. They were going to collect it, keep 10% and send the other 90% back to the communities. I got a legislator from Amherst to sponsor a bill for local registration of vehicles. She did. The whole idea was to drag something across the trail and get it killed. It turned out that it peaked the interest of Senator Monier and it ended up getting through as a pilot program. Now something like 200 cities and towns in the state...you can go into the town office at city hall and pay your tax and get your plates and your tags right there and register your car.

Mayor Baines stated we need to wrap this up because we have a busy agenda.

Alderman O'Neil stated I have some comments. In my 12+ years on the Board of Mayor and Aldermen this is the first time that I have seen staff from the Municipal Association here. Maybe we are all to blame for that. I did, in my limited time that I served in the State Senate, I sat on the Public Affairs Committee, which deals with municipal government and I have to be honest in thinking back and it wasn't that long ago, I don't remember the Municipal Association coming in and taking any position that was in the best interest of Manchester. It was because of the number of communities that they serve that they have to take that broad position. They mentioned earlier that they are not taking any position on education funding. That is a very important issue to the citizens of Manchester. The people of Manchester can't afford to have you not take a position on it. It is worth how much money to us Senator?

Alderman Gatsas responded it depends on which bill you saw today. There were seven of them.

Alderman O'Neil stated it is big dollars for the City of Manchester. We can't afford to not have you take a position on it. Because you have so many communities to serve, some large and many more small, positions regarding the City of Manchester get passed by. You can't serve multiple masses who have different needs. I think that is what had led to us taking a look at hiring a lobbyist. Thank you.

Mayor stated thank you very much for your presentation this evening. Now because we have some people from Boston here on a very important issue potentially impacting our community I would like Chief Jaskolka to come forward and introduce the people with him. While he is doing that, I want to make a couple of statements. I sent a memo to the Board of Mayor and Aldermen on March 18 as a follow-up to the vote that was taken to do two things. One to send a message to the Federal Bureau of Prisons that we are not interested in a halfway house here in Manchester and secondly a direction to the Committee on Traffic/Public Safety to cancel any meetings that were scheduled. After my conversation with Stuart Rowes, of the Administrative Community Corrections Branch of the Federal Bureau of Prisons and I asked him what weight that vote would take and he said it would

carry some weight but would not necessarily be a deciding factor. Following that, I instructed the Chief to continue conversations with the individuals involved in this because if, in fact, this is going to happen it is in the best interest of everybody to have an open and candid dialogue about all aspects of it and if, in fact, the community and the political establishment wants to rally against it, I would hope it would be based on facts and information that is pertinent to exactly what the goals of this program would be. Once again, I am renewing my call tonight for the Committee on Traffic/Public Safety to hold public meetings so the public can get information on exactly what is transpiring but as a step in that direction I have asked the Chief again to continue this dialogue and he has brought some people with him this evening who can at least answer some initial questions as we move forward.

Alderman Gatsas stated before he begins I believe, your Honor, that this Board took a vote. I understand that you are the Chief Executive Officer but I think it was a pretty loud and clear message that came from this Board. If that doesn't hold weight in any speculation of somebody coming to this City, I don't know what does and I don't know why we would be sitting here voicing our opinions on what we think collectively as a Board is the course we want to see this City go in and for some reason because somebody says it doesn't matter when we get the expertise of the Chief telling us very early on in the process that he was not for this situation...I guess I take some exception that this wasn't discussed with the Board before you brought people in from Boston.

Mayor Baines responded first of all I asked the Chief to come in so that the people in the community are informed and I would like him to continue.

Alderman Gatsas stated personal privilege. I think everybody on this Board...

Mayor Baines interjected I am just asking the Chief to inform us as to what is going on regarding this issue and the Chief will continue.

Alderman Garrity stated you just made a statement that you want this to go to the Committee on Traffic/Public Safety. This Board voted not to do that.

Mayor Baines responded I understand that. I am asking the Chief to give a presentation as to what is going on.

Alderman Garrity replied the vote was 9-3.

Mayor Baines asked the Chief to proceed.

Police Chief John Jaskolka stated since the last meeting I have continued conversations with the Bureau of Prisons. I talked to Stuart Rowes out of Washington, DC and also David

Dwyer, who is a Community Corrections Manager out of the Boston office who would have come and given a presentation to the Committee on Traffic and Public Safety and this Board should it have gone that far. As Senator Gatsas said, as the Chief of Police I can't come out in favor of bringing felons back into this City. I am not going to open my arms and say bring us your weary, bring us your weak and bring us your felons, however, these people are from the Manchester area and are going to come back to the Manchester area and that is the bottom line fact. Do we want these people to come in to the City go to the soup kitchen and have us and the state pick up their costs or do we want to try to bring these people back as working people in this community I guess is the question we have to ask. In conversations with Washington, DC and with Boston, the vote that was taken with this Board will hold some weight, however, they are going forward and reviewing the RFP's. It is my understanding that if a contract is to be awarded, that contract will be awarded on or about January 1 and if the contract is awarded the halfway house will open up sometime around May or June of 2005. The last two times that I was in front of this Board I tried to address your questions as best I could. I think it is at the point now that if the Board does have questions, I believe that the answers should come from the federal government. With that, I have brought the Chief Probation Officer from the State of NH, along with his deputy chief and also one of the probation officers should this Board elect to question them on that this evening. I at least intend to keep communications open because I fully believe that the federal government is going to go forward with this and I need to be as well informed as possible as to what we as a community should expect should one of these halfway houses open in the City.

Alderman Guinta asked was the Bureau of Prisons notified of this Board's vote.

Chief Jaskolka answered yes a letter was sent out.

Alderman Guinta asked when was that letter sent.

Chief Jaskolka answered I have a letter dated March 4, which would have been shortly after the meeting where the Board voted not to address the issue.

Alderman Guinta asked who was the letter signed by.

Chief Jaskolka answered Carol Johnson.

Alderman Guinta asked can we get copies of that letter and has there been a response letter received from the Bureau of Prisons.

Chief Jaskolka answered I haven't received one, Alderman.

Alderman Guinta asked has the Clerk received a response.

Deputy Clerk Johnson answered no.

Alderman Lopez stated I agree with Alderman Gatsas about this whole situation but out of courtesy to the people who are here from Boston I do have a question.

Mr. Thomas Tarr stated I am the Chief of US Probation here for the District of New Hampshire. Just a point of clarification. There is no one here from Boston tonight. The Chief asked me to come to the meeting late this morning to answer some questions and address any concerns you might have. We have a presentation but we are not going to make that tonight. I was just asked to come down and respond to any questions you may have so I will do the best I can.

Alderman Lopez stated I have one. There has been much discussion about residency. The statistics will show for example that people move in from Massachusetts or other states to Manchester and are maybe here for 30 days and commit a felony so Manchester is there last residency. Is there any provision in the law to send them where they were really born and raised rather than saying you committed a crime in Manchester, NH, so therefore your last residency is in Manchester?

Mr. Tarr responded right now there is no law that would prohibit anybody from coming back to Manchester if they were convicted in the federal court out of Hillsborough County. We would screen people as carefully as we could for this program but there is no mechanism right now...if they were arrested in Hillsborough County and prosecuted federally, they have a right to come back to this county and establish residence if they can.

Alderman Forest stated I have a couple of questions. In reference to these federal parolees or probationers or whatever you call them, when their time is up you can't...well you may because you have certain controls on where they go but if they were arrested here and they live here they have a right to come back here don't they.

Mr. Tarr responded yes they do.

Alderman Forest stated and if they just came out of a 10 year sentence and you just let them go on the streets of Manchester without reprising them of the new laws and rules and regulations they are just going to end up back in there correct.

Mr. Tarr replied I guess the point I would make is even if this halfway house doesn't become a reality, these people are going to come back to Manchester anyway and the way they are going to come back is the way that we have been doing it now and that is they show up on our doorstep over at the Cotton building where we have a sub-office and they have no place to live and no employment. We send them over to City welfare. City welfare provides

temporary housing and gives them some food stamps and some rent vouchers and if they are on prescription medication, the City is on the hook for that. It is really not a good transitional program. It is costing the City money to do it the way we have been doing it and they are going to keep coming back here. It is not a...I heard one of the Aldermen say this a few weeks ago at one of these meetings and it is a point that I think is worth repeating. Even if this doesn't become a reality, it is not going to stop people from coming back to Manchester because Manchester, right now the City of Manchester and the Hillsborough county area is producing more federal offenders than any place in the state.

Alderman Forest stated I believe that both Alderman O'Neil and I made that comment at the last meeting.

Alderman Porter stated I think the bottom line here is that the federal government is going to be able to do what it chooses to do. What is the benefit of the backing of the Board of Aldermen? We have spoken and it seems that the follow-up articles in the newspaper kind of intimated that Manchester hasn't done its share and I don't agree with that at all. I think Manchester has been very understanding and very generous and very sympathetic. Certainly halfway houses can be successful but I think there is a point where a community has done enough. The constituents who have called me have supported my vote not to give my sanction to it and I am not about to change. What is the benefit of having the Board of Aldermen all say yes or no if you are going to do what you want to do anyway?

Mr. Tarr responded first of all I want to make a point of clarification about the federal government doing whatever it wants to do anyway. That is really not the case. If this were to come on line, they have to comply. The center would have to comply with all zoning board regulations that the City would lay down. Unlike the state over there on Lowell Street, the Caliman House. They are exempt as I understand it from all zoning requirements. Because this would be a privately run facility the successful bidder and vendor would have to comply with all state and local zoning requirements. It is not that we are going to be able to come in and do whatever we want at any time. Regarding the point about Manchester doing its fair share, I come back to some statistics and that is that 45% of our work right now in the federal system is coming from the Greater Manchester area. No other county or city is close to producing the number of federal cases that we are getting in the court and there are several reasons for this. Number one, in the last five years the City has accepted over \$2 million from the US Attorney's Office in Concord for programs like Operation Streetsweeper, Project Safe Neighborhoods, the Hider Program...the City has accepted a lot of money and they have gotten a lot of offenders off the street. If I am a taxpayer down here I am saying if it is good for Manchester and it is good for the Chief then they are doing the right thing. We need to close the loop on this thing because now all of those people that you have generated for us are getting out and the average sentence for these drug offenders and 40% are drug related cases, all of these people are getting out after serving about 74 months.

That is a lot of time to be out of circulation and then they are coming back to the City of Manchester.

Alderman Porter asked what do you mean we generated.

Mr. Tarr answered the cases that are coming before us in the federal court in Concord – over 40% of those are coming from Hillsborough County right now.

Alderman Porter responded there are many communities in Hillsborough County other than Manchester.

Mr. Tarr replied yes but a majority of that 40% are coming from the Greater Manchester area.

Alderman Guinta stated Tom using that thought process if we didn't accept that \$2 million would it be safe to say that we then shouldn't have a halfway house in Manchester.

Mr. Tarr replied I guess the Chief would be a better person to answer that question that I would.

Alderman Guinta responded well I am asking you because you made the statement.

Mr. Tarr replied I will answer it. The issue is that you may not have the volume of cases that we are seeing now if you hadn't taken some of the money and some of the grants.

Alderman Guinta asked so we shouldn't take the federal money to get criminals off the street.

Mr. Tarr answered that is not my call to make. The City decided they wanted to do that and they wanted to partner up with the federal government and go after the drug dealers here in the City. That is a good thing. I wish more communities would get involved like the Chief has been here in being proactive and taking some of the federal money from the US Attorney's Office and going after these people. The fact is, Alderman Guinta, that they have done that and it has generated a lot of work and they continue to lead the state right now in the number of cases that are being referred to our office.

Alderman Guinta asked can you tell me where these criminals are going right now, which halfway house they are going to.

Mr. Tarr answered right now the program that is in place is what I call fractured and fragmented. All offenders have to serve the last portion of their sentence in a halfway house so they are going to three places right now. They are going to the Coolidge House in Boston, which is 110-bed halfway house across the street from Northeastern University. They are

going to the Corrections Alternative Center, which is located in Lawrence, MA or they are going to Pharaoh's House in Portland, ME. What happens is the average stay is about 120 days so offenders go to this program and they know they are not going to stay in those communities more than three or four months and it is tough to get employment when you go to employers and say well I am only going to be here for three to four months. When they are done with their 120 days and come back to Manchester, they usually show up here at the Cotton Building and say I just released and I don't have employment or a place to live and that is what is going on now. It is not that they are not going to come back. Even if this doesn't go anywhere, they are still going to come back here and they are going to show up at the Cotton Building and we are going to have to deal with it the way we have been dealing with it now.

Alderman Guinta asked do you have any authority over this decision with respect to putting a halfway house in Manchester.

Mr. Tarr replied authority no. Right now two private companies have submitted proposals. One I believe is on the West Side of Manchester and one is on Lowell Street. From now and over the summer and into the fall the Bureau of Prisons is going to analyze those proposals. It is up to the Bureau of Prisons to make a decision about who the appropriate vendor, if any, is going to be. Now their proposals may be deficient. I don't know. I have not looked at them. They do not submit them to my office. They submit them to the Bureau of Prisons. If you saw the statement of work there are a lot of requirements that have to be in place before this is approved and it is going to take them the next six to seven months to make a decision.

Alderman Guinta stated I have two final points. You don't have authority but do you have input.

Mr. Tarr responded yes we have input as far as we have given them suggestions and guidance about the proposed locations and general area.

Alderman Guinta asked does it matter to you what this Board has said.

Mr. Tarr answered sure it does.

Alderman Guinta asked does it matter to you personally. Will you take that into consideration?

Mr. Tarr answered it matters to us because it matters to the Bureau of Prisons. I think there is a perception here that the vote doesn't mean anything and I think nothing could be further from the truth because none of these programs can be successful if there is not some degree of community acceptance.

Alderman Guinta stated I appreciate you coming and speaking with us. I would just reiterate what our vote was and that we don't want it here.

Alderman Roy stated I have a quick question and then a number of follow-ups. Tom, thank you for being here. I was also one of those who voted against it and will firmly stand by that but I did also state during that meeting that if this had the possibility of coming to Manchester that I wanted all facts on the table. You mentioned three centers. Boston had 110 beds but Lawrence and Pharaoh's House you did not give the number. What are those numbers?

Mr. Tarr stated the Corrections Alternative Center and I am estimating now but I think it is between 40 and 50 beds and Pharaoh's House up in Maine is probably 25 to 35.

Alderman Roy stated can you give us a brief resident scenario of what happens...you mentioned that the average sentence is 74 months. At what point are they released to the halfway house and what are the requirements once they are here?

Mr. Tarr responded the last 10% of their sentence they are referred to a halfway house placement. Right now as I mentioned they are going to one of those three places. Once they arrive at one of those three places there is a strict base program that is implemented. The first 10 to 15 days they are required to find employment. There is a lot of accountability at the centers as far as phone checks and counts. There is random drug and alcohol testing that goes on every day. Everyone is required to have employment and they are required to set-up a savings account. The counselors and staff at the center would make random and unannounced visits to the employer. As I mentioned, random alcohol and drug checks and so forth. They would complete the program after 120 days and then they would come back to my office under supervision for anywhere from 3-5 years.

Alderman Roy asked what is the average recision rate for your centers here in the northeast.

Mr. Tarr answered the centers have about a 5.5% failure rate. In other words, the people who go to one of these halfway houses in the northeast region and they had about 1,000 referrals last year approximately 5.5% of those people ended up failing the program. Most of those failures were for technical reasons like dirty urine, the illegal use of intoxicants, failure to find employment and only a small percentage of those people were returned to custody because they committed new crimes, felonies or misdemeanors.

Alderman Roy stated you mentioned that Hillsborough County and the Greater Manchester area had the largest number in the state. Is there a distinction between arrested within the City of Manchester and a proved residency in the City of Manchester? I will give you a scenario. Someone comes to Manchester, rents an apartment for three months and gets arrested. Do they fall into that Greater Manchester statistic?



Mr. Tarr responded if you were to look at...the 40% that I mentioned are really residents here. If we were to add the number of people who come to Manchester from Lowell or Lawrence and other places who come up here and commit crimes and add those into that figure then the number is up to 50+%.

Alderman Roy stated when you talk about Hillsborough County and Greater Manchester cases one of the suggestions and I have gotten an overwhelming response from my constituency supporting my vote and when you talk about arrests in Greater Manchester and I am not a member of any Police Committees or anything like that but wouldn't it be more prudent to take felons out of the environment that they were arrested in? In the scenario that if you take the criminal out of the criminal environment wouldn't it be harder for them to fall back into that same routine? They would have to find different employment, different friendships and possibly help them maintain the path or course they were on in that 74 months of incarceration?

Mr. Tarr responded that is a good point but the fact of the matter and the reality is that most people would come back to their family and their home and that happens to be sometimes not the best part of the city or the state. I have been doing this work for 30 years this year and we have tried to locate people to different parts of the state and it simply does not work. People do it temporarily but they want to go back to where their roots are and in many of the cases that we get the roots are right here in the City and surrounding areas. That is a hard reality.

Alderman Osborne stated I have one question. What zoning requirements does it take for a halfway house?

Mr. Tarr responded I guess I would have to defer to the City zoning department. All I can tell you is that any proposal before it can be approved by the Bureau of Prisons would have to have the approval of the City Zoning Board.

Alderman Osborne asked in what zone. Is it residential or business?

Mr. Tarr answered I don't know the zoning requirements down here.

Mayor Baines stated I can answer the question because I have asked the City staff to look at that issue. Anything of this nature under our zoning rules would require a zoning variance. We have clarified that.

Alderman DeVries stated we are starting to beat a dead horse your Honor so I will try to be brief. Certainly this Board did not support this. Chief, let me ask you if you agree with some of the statistics that were just thrown at us. 5.5% failure of the program, which

includes being reincarcerated for another offense. That is what I just heard. Does that sound legitimate?

Mr. Tarr asked can I clarify that.

Alderman DeVries answered go ahead. That is what I heard you say.

Mr. Tarr stated I did. 5.5% of the people in the program in one of these halfway house centers.

Alderman DeVries responded that is exactly what I was going to ask the Chief. I know you don't have the statistics but give us a guess. Failure rate for people who are returned to society for particularly a drug offense because we have already heard that is half of what we are looking at to be rearrested for a second or third drug offense? Is that frequent?

Chief Jaskolka replied I do have some information and again you are asking me to comment on federal statistics which I don't look at but I was provided some information over the past three years on people released...you are asking for people actually released from the halfway house and out into the community. The numbers are fairly low. In 2001 and this is information that I got from US Probation, there was 224 people supervised on parole. Forty-four were revoked but only 16 of those were new crimes meaning that there were other violations other than a new crime itself being committed. 16 out of 224 isn't big numbers. 2002 was 227 supervised with 26 revoked and only 11 for new crimes. In 2002, 227 supervised, 28 revoked and only 9 for new crimes.

Alderman DeVries asked so if this is a low number why are you concerned about the halfway house coming to Manchester and increasing the burden on the Police Department.

Chief Jaskolka answered again we arrest these people and incarcerate them and hopefully rid the community of them. Obviously they are going to come back but my concern is they are going to be in the community and there is always the possibility that they are going to commit further crime. These numbers actually kind of surprised me when I heard them. The first two times I addressed this Board, I didn't have the numbers. Again, having spent 19 years of my career as an investigator I am going to keep looking into things until I get answers. I have answers now that I didn't have three weeks ago or six weeks ago when we first met. For actual new crimes being committed these numbers are fairly low. A lot of people get revoked for other reasons that Mr. Tarr can probably address but the actual crimes the numbers aren't that bad.

Alderman DeVries stated I have a general statement because I know that others still have questions. Certainly today we realize that Manchester does not have a federal halfway house so Manchester residents spend their final terms in another community. We know very well

that there are three in this area and you have a lot of communities that feed into the three New England federal halfway houses. Without a doubt, as our program and barring the RFP's before us, there is potential for growth in some of the buildings identified and this program will expand and we will be servicing the overflow from other communities that do not have halfway houses. I just think it is going to increase the burden on Manchester. I cannot support this.

Alderman Gatsas stated Chief I applaud you for the position that you have taken on this project. Tom, just some simple questions. You made a statement where you said that people arrive on your doorstep on Chestnut Street and from there you have to put them out into the community or send them to the Welfare Department. Can you tell me in the last three years how many of those people have arrived on your doorstep?

Mr. Tarr responded no not off the top of my head. I can get that figure for you.

Alderman Gatsas replied give me a ballpark within 50%. Ten, twenty, thirty, one hundred?

Mr. Tarr responded it is happening monthly right now. We have 80+ people being released this year in New Hampshire.

Alderman Gatsas asked so in the past three years if it happened once a month that is 36...

Mr. Tarr interjected not once a month. We have probably three or four people a month that we are referring to the City Welfare Office.

Alderman Gatsas asked how many are you not referring to Welfare or are there more people coming to the City other than the three that you are talking about on a monthly basis. If we said 36 times 3 we are roughly at 108 people in a three-year period. Of those 108 people that you said come back to the City of Manchester because they are from Manchester, what is their recidivism rate?

Mr. Tarr answered as the Chief just mentioned when they finish the halfway house at one of these other locations they start a term of supervision under US Probation Supervision from three to five years. In the last three years our recidivism rate has been between 15% and 20%. In the last three years we have had nine people arrested for new felonies. Three people a year on supervision have been arrested for new felonies in the last three years. Now I read some of the stories in the paper about...and I don't know if it was someone on the Board here who said there was a 40% recidivism rate but I am here to tell you that is not true in our system at all. I read that in a newspaper report. 40% recidivism rate for drug offenders. I am telling you right now that is not the case.

Alderman Gatsas asked somebody on this Board made that statement.

Mr. Tarr answered I said I read it in the paper.

Alderman Gatsas stated well let's go back to my question because if those three people a month are knocking at your door and the recision rate is...

Mr. Tarr interjected I don't know what the number is knocking on our door.

Alderman Gatsas stated I am just trying to use a number and I am not wanting you to be specific. I don't need you to be specific. If you said to me that the recision rate of those people knocking on your door was greater than the 5% that you are telling me are coming out of the halfway house then I would have a concern. Let's go a step further because we have addressed that. This being operated by a private entity, can you give this City a guarantee that the occupants of that halfway house will not be from other parts of the country?

Mr. Tarr responded first of all I am not in the guarantee business when it comes to probation and supervised release. I will tell you this. No one is going to be in that facility who is not going to be a New Hampshire resident upon completion of the program. In other words, they are not going to send people here from far away places to become a resident of the Manchester halfway house if it becomes a reality unless they have ties to the community or post-release supervision in an approved plan.

Alderman Gatsas asked how can you possibly say that when this is a private entity and you are telling me that Boston has 110 beds and Portland has...you didn't give us a number but whatever that number...

Mr. Tarr interjected I estimated 25 to 35.

Alderman Gatsas stated and if for some reason the community of Portland decides that they don't want them there anymore...are you saying that if I did a poll right now of the residents of Portland in that halfway house that all of them would be from Portland.

Mr. Tarr responded no.

Alderman Gatsas asked any from the State of New Hampshire.

Mr. Tarr answered yes because as I said they are going to one of the three places they can go to.

Alderman Gatsas asked any from the State of New York.

Mr. Tarr answered I don't know.

Alderman Shea stated in every situation there is always unintended consequences. In other words, let's assume for the sake of argument or discussion moreso that a halfway house were to be operated on the West Side and it is very successful and they reach a point of saturation because it is so successful. Would that preclude anyone from deciding to operate a second halfway house on Lowell Street?

Mr. Tarr replied I have two responses to that. Number one, any kind of increase...the contract right now is for a 21-bed facility. If the vendor decides that they need more, if there is a demand for more space they have to get all of the necessary approvals to do that.

Alderman Shea asked what would preclude them if I may. If they get the first approval the second is easier isn't it usually?

Mr. Tarr answered I would guess if they had a positive track record the second time through would probably be easier. They would have some statistics and data to make a case.

Alderman Shea stated I am kind of building on what Alderman DeVries was saying. So in other words there isn't any kind of requirement that there be a certain amount of individuals, God Bless them, for the City of Manchester to absorb more and more? In other words if we had one halfway house here and then a second one as it were...could it lead to a mushroom kind of effect.

Mr. Tarr answered the number could increase if the number of referrals from Hillsborough County increased proportionately. In other words for example this year alone we are about 18% ahead of where we were last year at this time on federal prosecutions. If there can be a demonstrated growth in the number of prosecutions coming from Hillsborough County, the program could increase but it would have to increase with all of the approvals from the City and the zoning and all of the rest of that.

Alderman Shea asked so in addition to unintended consequences we have residual effects. That is to say that if the community of Manchester were to agree to a halfway house does that impact the probation department's expenditures? In other words, who bears the cost for additional supervision of these unfortunate people who have to be incarcerated and then released back into the community?

Mr. Tarr answered the contract...the Bureau of Prisons is going to pay this vendor a per diem for every person that is in the program. Once they are released from that program then they come over to our office for three to five years of supervision.

Alderman Shea stated so what you are indicating is as long as they are in the halfway house you have limited it no contact with them.

Mr. Tarr responded no we intend to sign a liaison person from my office to the facility because this is all about transition. We are going to have a person who is going to be assigned to the facility to get these people ready to start their 3-5 year term of supervision in the community.

Alderman Shea asked are there any other...I can't think of other expenses but can you help us out in terms of are there any other expenses that might be a community expense or a county expense that the City would have to bear.

Mr. Tarr answered I will tell you the truth. I think if this were to come on line and I know a lot of people around here aren't supporting this but if you don't support the concept you can look at the financial end of it. Right now the City is supporting a number of these people because they have no place to live and no place to go. A facility like this would not, I don't think, impact the City financially. It would probably impact you less financially than the current situation we have now.

Alderman Shea stated I know you indicated that there were certain expenses at the Welfare Department. Are these large expenses in your judgement?

Mr. Tarr responded well we have had some people that are on pretty expensive psychotropic medication. A lot of times they are released with a seven day supply and very little actual money in their pocket. These are the kinds of people that show up at the Cotton building. The City, by law, is required to underwrite the cost of that prescription medication until these people are self-sufficient.

Alderman Shea asked wouldn't that still exist once they are released from the halfway house.

Mr. Tarr answered no because they would be paying their own...they are going to be paying rent while they are there. They will be fully employed and they will be able to pay their own expenses while they are there. We won't be sending anybody to City Welfare if we have a program like this.

Mayor Baines stated just so I understand, there are a number of these people in the community right now that are in places like New Horizons or they are homeless or whatever and they are just here without any supervision.

Mr. Tarr responded they are getting plenty of supervision.

Mayor Baines replied because they have to report.

Mr. Tarr answered yes they do. We are making... I have people in the office here who are residents of the City of Manchester and on my staff and one is a former police officer. They are getting plenty of supervision but the structure is not there. The reason we have to give them a lot of supervision is because they are not employed and are living in the shelter or they are getting food stamps and living day to day.

Mayor Baines asked how many would you estimate are in Manchester right now.

Mr. Tarr asked supervised. I will tell you we have about 250 offenders under post-conviction supervision and about 42% of those are living in the City.

Mayor Baines responded that is a lot of people.

Alderman Forest asked your office is down at the Cotton building correct.

Mr. Tarr answered we are moving over to 1000 Elm Street in about a month but right now yes.

Alderman Forest asked are your office hours still Monday, Wednesday and Friday.

Mr. Tarr replied we have someone there every day pretty much.

Alderman Forest stated so these prisoners who have been released already are coming to your office once a month or once a week.

Mr. Tarr responded sometimes once a day depending on the level of risk that they pose.

Alderman Forest asked the ones that are in the halfway house in Boston, you said they spend 1/3 or 2/3...

Mr. Tarr interjected the last 10% of their sentence, usually up to 120 days.

Alderman Forest asked but once they fulfill that in Boston they are still on probation for 3-5 years correct.

Mr. Tarr answered it is what we call a supervised release term that starts and it is from 3-5 years.

Alderman Forest asked and then they come to Manchester but these people in the halfway house are required to find jobs correct and places to live.

Mr. Tarr responded yes. Many of them have restitution obligations to pay.

Alderman Forest asked if one of your prisoners doesn't go to a halfway house and you just release him he comes to Manchester correct and then they have no jobs and those are the ones you have problems with right.

Mr. Tarr answered yes. The halfway house is a privilege. It is not a right. If an inmate decides that they don't want to do that program, they are not required to do it. They have to serve that last part of their sentence incarcerated and then they come back and show up on our doorstep and we have to manage the cases the best we can.

Alderman Forest stated I think the comment I want to make and I know I probably can't convince the other nine members of this Board who voted against it but we started a program in Manchester several years ago. I think they were starting it just before I retired. We went around the federal government, the county, the state, law enforcement starting helping each other get people like this off the street. They had been in prison for seven, eight or nine years and now they are coming back to the City and they are residents of the City. I am still in favor of talking to these people. With concerns and restrictions the halfway houses work. I urge my colleagues to vote in favor of it.

Mayor Baines responded again I am not asking for a vote. I just want to get information out to the public and that is the reason I asked for this tonight.

Alderman O'Neil stated I just think it would be important to clarify...you are not here representing the Bureau of Prisons, you are from US Probation & Parole and as close to an expert to the subject that is working in New Hampshire as there is in the federal government.

Mr. Tarr responded yes.

Alderman O'Neil stated I think that is important. I think some people may think you are here from the Bureau of Prisons.

Mr. Tarr responded no. I am a Laconia resident and a federal government employee that works in Concord.

Alderman O'Neil stated I just want to clarify a couple of things you mentioned earlier. You have approximately 250 cases under supervision in New Hampshire and you said about 42% are in the Greater Manchester area, which is about 105 people that you have officers working cases actively now. I think that is a very important number for the community to realize. You mentioned earlier, you talked about them coming here because of their roots but isn't it my understanding that they are also coming here because the services are here. You



mentioned Welfare. There are work opportunities here and transportation services to allow them to get around and other social services. Is that true?

Mr. Tarr replied most of the offenders we deal with don't have driver's licenses and most of them have substance abuse problems so they require public transportation. They require an ability to access treatment programs in the community. They require access to employment capabilities. People say why don't you put it up in Claremont or some other place. Well a lot of those facilities aren't available in small towns in New Hampshire. That is not a reason to put it in Manchester. The best reason to put it in Manchester is the fact that Manchester is producing, again, the largest volume of cases.

Alderman O'Neil asked, Chief, would you take the position that you would expect a halfway house to be a burden to the Manchester Police Department and to the citizens of Manchester.

Chief Jaskolka responded my concern is not actually the burden. In a perfect world as the Chief of Police I would love to rid the City of Manchester of felons. That is not going to happen. We do make a lot of arrests. The burden is that we bring them back. The concern about the halfway house is obviously having the figures that I have now it doesn't look like they are committing a large volume of crime. However, like I said if we could rid the City of felons that would be a great thing but that is not going to happen. If they are from the Manchester area they are coming back to the Manchester area whether they come back as working members of the community or whether they come back and live at the soup kitchen, they are coming back. That is why I have taken the steps that I have taken to continue to follow-up on this so I can get up to par on what is exactly going to happen when and if this halfway house does come to Manchester.

Alderman O'Neil asked would you consider the existing facilities in this City burdens to the Police Department or to the citizens.

Chief Jaskolka answered again I think the numbers I gave you last time...the juvenile facility was the biggest burden and the largest volume of calls that we respond to. The adult halfway house was less. Valley Street because of the different amount of calls the numbers were a little higher there and then of course YDC.

Alderman O'Neil asked would you say that they are any more of a burden than the hospitals are or some of the other social service facilities in the City.

Chief Jaskolka answered they are pretty much on par with the calls for service to the hospitals. The other facilities are probably our biggest volume of calls when we got to the different mental health centers usually for transportation issues from one of the centers to the hospital or from one of the centers to the state hospital or something like that.

Alderman O'Neil stated if I asked you to name five to ten addresses in the City of Manchester that are burdens to the Manchester Police Department you could probably name those and they are probably not social service agencies.

Chief Jaskolka responded no they are not.

Alderman Smith stated I took the opportunity because I did receive a letter on March 25 from the contracting firm for the proposal of a halfway house, which is going to be located 80% in my ward and 20% in Goffstown. We met with the individuals on Friday. They were very good and very kind. It is an unpopular program but I see that the results are good. I can't argue with that. We did meet with a couple of businessmen and I can tell you that the adverse comments that were there were not conducive to the program. I did look and the thing that amazed me is when I went over to the house there were actually four of five individuals who had just been released that were living in that house at the time. It struck me as funny. This is what the problem is. We don't know who is living next door to us. We are talking Henriette Street. It is a very good program but it is unpopular and I talked to a couple of businesses in the Goffstown area and they are very adamant. I believe in communication and that is why I took the initiative on my own because I believe in talking with people because I think the program does do an awful lot of good. After talking with the people in the wards I can't support the program as it is now because I am getting so many adverse comments. I just want to tell you that I did take the initiative. I have a letter from David Larabee and from the Coolidge House and so forth because I wanted to get the information myself. I appreciate your efforts, Tom.

Mr. Tarr stated I would say that Alderman Smith illustrates a point that I made earlier that even if this house does not become a reality these people are going to come here anyway and the fact that you mentioned already that particular property...you said there were four offenders living there already and I bet there are more than that living in that facility right now. The problem is they are unsupervised pretty much. It is not a structured facility. This is what I mean. Most of these offenders are here and they are going to continue to come here and they are going to continue to reside in these motels around the City in some of these rooms for rent locations. I don't want to mention any in particular. I am sure that the Chief will tell you that they make a lot more service calls to those kind of facilities than they ever made to Caliman House for example on Lowell Street by far.

Alderman Gatsas stated Chief I think there should be accolades for you and your department because if 40% of those people are coming from Manchester that means you guys have to be doing a hell of a job. I commend you for that and the people of Manchester commend you for that.

Alderman Gatsas moved to send a letter in conjunction with the letter that the City Clerk's Office sent and signed by the Aldermen who would like to sign it so that emphatically it is a voice that is being heard and it is not just the Deputy Clerk signing a letter.

Alderman Guinta duly seconded the motion.

Alderman Osborne stated I have a simple question. Chief, these inmates that are released from federal prison and they come to Manchester, whether they are on the streets or in a halfway house, how many of these are of a violent nature like rape, murder or whatever. How many of these felonies are bad?

Chief Jaskolka responded I don't have any statistics off hand for that. I am trying to think of federal prisoners and I just don't come up with any real high numbers for violent crimes.

Alderman Osborne replied well it wouldn't take any high numbers. Two or three murders or robberies are enough I guess. I just had that in the back of my mind that's all.

Chief Jaskolka responded I don't have any exact numbers to answer your question.

Mr. Tarr stated as I mentioned earlier there were nine people that we have had in the last three years that were under federal supervision that committed new felonies. Only nine individuals in the last three years.

Alderman Gatsas asked can I get a clarification on that because we keep saying nine individuals under new felonies. How many of those individuals have gone back for any reason?

Mr. Tarr answered the 20%, 16% and 15% that I indicated earlier were our recidivism rates for the last three years.

Alderman Gatsas asked so they have broken parole, whatever the reason.

Mr. Tarr answered only a small percent of those, as I said 6 of the 20 for example were for new crimes. It is a very small number.

Alderman Roy stated I would like to speak in support of Alderman Gatsas' motion and I was very glad that it was seconded by the Alderman from Ward 3 because his ward will definitely be impacted, as well as Alderman Smith's. I have a very brief question for the Chief. We keep talking about nine new felonies per year. Chief, you may not have the statistic but how many felonies do we have committed in Manchester roughly per year?

Chief Jaskolka responded I don't have the numbers with me. It is high. There are a lot of felonies.

Alderman Roy asked 2,000 or 1,000.

Chief Jaskolka replied I hesitate to answer because I don't have the exact number.

Mayor Baines called for a vote on the motion to send another letter to the Bureau of Prisons expressing the Board's wish not to have a halfway house located in Manchester and have those Aldermen who wish to do so sign it. Alderman Gatsas requested a roll call vote. Aldermen Gatsas, Guinta, Sysyn, Osborne, Porter, Lopez, Shea, DeVries, Garrity, and Roy voted yea. Aldermen O'Neil, Smith, and Forest voted nay. The motion carried.

Mayor Baines stated Tom I want to thank you very much and the Chief. Once again this was good public information in a public forum so people can get information about what is happening. Again, I think it is important for a Committee of the Board to call in these organizations that are proposing things that are happening in the City so we have a forum so that all of the issues can be discussed and then the Board will be in a position if something goes to the Zoning Board. We will be in a position to deal with this issue and I think all decisions should be based upon facts and knowledge and information and I reiterate that we have a responsibility to work with federal officials and we should be talking to people to get accurate information. I appreciate your being here tonight.

Alderman Garrity asked are you going to sign that letter.

Mayor Baines responded it was a motion by the Board. The Deputy Clerk has asked that Item 20 be moved up because we do have some people here tonight to talk about that issue.

Report of the Committee for Lobbyist Selection recommending the firm of Sheehan Phinney Capital Group to represent the City on legislative affairs at the State House.

Alderman Shea stated as a member of the selection committee I have been asked this evening to make a brief presentation and obviously the members of the proposed lobbyist group are here this evening. Basically we heard initially from the NH Municipal Association and I think Alderman At-Large O'Neil hit upon the fact that there are salient or poignant issues indigenous to the City of Manchester, which are obviously in our best interest to have somebody representing us. Now let's go back to why we are asking for a lobbyist. The reason we are asking for a lobbyist is because former Alderman Wihby suggested this at a meeting. He works at the State House. He is a heartbeat away from the Governor so to speak so if he in his wisdom felt that we needed to have representation by way of a lobbyist than who is better to direct us than Dave Wihby who is now recuperating I guess. According

to Alderman Gatsas he is kind of uncomfortable but doing fairly well. Other points that I think are listed here indicate that the services that would be rendered by the lobbyist would include direct assistance to Manchester to identify and prioritize legislative service requests like bills and proposed rules of interest, monitor bills and proposed rules identified by Manchester, provide weekly status reports and going on and on representing Manchester at hearings on priority legislation and rules and provide a summary of testimony but the main focus would be that their main job would be to lobby on our behalf. I think that as we discuss this issue and we can, like Alderman DeVries indicated, beat this to death or we can kind of look upon the issue as something that will be advantageous to the City of Manchester. As you all know, I am very frugal in my particular decisions but I have to say that a sincere motive behind any action carries its own reward and I would like you to take that into consideration this evening when we discuss this issue. It is not to eliminate the services of the NH Municipal Association. It is to add on to what would be most beneficial in my opinion for the citizens of Manchester and most especially for the people who pay taxes. One of the other points that I have kind of been following is the amount of pressure that the state legislation for whatever reason is bringing back and placing on the county. We pay county taxes and these are very important. I leave it to the other members, your Honor, to discuss the issue as they see fit.

Alderman Roy stated one clarification that I think needs to be made and it may be made this evening is originally this motion was made that we should look at either or and going into this process I asked to be on the committee to look into a lobbyist and see what they would do for this Board of Mayor and Aldermen and more specifically the taxpayers of Manchester. I do believe we should maintain our membership with the Municipal Association but I do also believe that it is in the best interest, as mentioned by the attorney and the representative of the Municipal Association tonight in their discussion of Nashua that it brings a real advantage to Nashua to have someone in the Mayor's Office at the State House on a daily basis. Unfortunately, I think that would be a burden on the taxpayers of Manchester to have a staff person but for the bids that were received and the narrowing down process I think our best dollar spent for the taxpayer of Manchester would be that we maintain our membership in the Municipal Association and as a separate issue go ahead with the bid process and awarding the lobbyist services to the selected bidder. I think they are two totally separate issues and I think they should be viewed that way. Both bring a value to the taxpayer for the dollars that we will pay out and those are long-term investments.

Alderman Porter moved to accept the committee's recommendation to hire Sheehan Phinney Capital Group and also retain the services of the NH Municipal Association. Alderman Shea duly seconded the motion.

Alderman O'Neil stated two of the big reasons that communities belong to the Municipal Association are for their lobbying services and the ability to get involved in their Health Trust. Now I know that Alderman Porter pointed out that many of our staff get involved

with the Municipal Association through specific groups whether it be the Assessors or Tax Collectors, etc. but I don't know if that is worth \$25,000 a year to be honest with you. I don't believe we should still continue to pay \$25,000 and hire a lobbyist. What is going on in Concord now is too critical. I think the cons outweigh the pros regarding belonging to the Municipal Association and unless we are intending on joining the Trust for our health benefits I really don't see any advantage and I think that money would be better spent in paying a lobbyist to be in Concord for us.

Mayor Baines stated just for clarification we are members through the end of December so that is not an issue for now.

Alderman Guinta stated I would like to make a point of clarification with respect to savings that the City sees by being a member of the Municipal Association. It was identified I think in the packet that last year the City saved \$800,000. That was because the Municipal Association's bid was \$800,000 less than Anthems and Anthem reduced their bid by \$800,000. Even though we did not select MA's product, which happens to be an Anthem product, we were able to achieve a savings of \$800,000 so when I do the math \$25,000 to save \$800,000 makes a lot of sense. That being said I think we need to belong or continue to maintain our membership with the Association. They are two different entities. One is more of a trade association. I think the real issue here is whether or not the City should hire a lobbyist to lobby on behalf of our concerns in Manchester. I sat on the committee. I reviewed all nine proposals. They were excellent proposals. We met with three finalists. The finalists were exceptional organizations and firms. I have a great amount of respect for the members of the firm that were selected. There was a lot of discourse and a lot of discussion about the importance of having a lobbyist and one of the reasons that I think this group rose to the top was the excellence in service they would provide at the price they offered. That being said, I have a more philosophical difference than the other people on this Board. We have a delegation that we elect every two years that sits in Concord, both in the House and the Senate. It would be much more beneficial for this Board, through the Office of the Mayor, to enhance that relationship or strengthen that relationship with the members of those delegations because they are in Concord and elected by residents of the City of Manchester to do exactly what we are asking the lobbyist to do. I would argue that we already have that representation and I would also say that we are not utilizing that organization to the best of our ability. I bet if you would ask any one of the State representatives or State Senators that represent us, they would love to be more involved with this Board and with this Mayor and future Boards and future Mayors. I think the issue should rest with the responsibility of the Office of Mayor and I don't know...it is up to the Mayor how the Mayor would dictate or determine how somebody in his office would follow the legislation but we know two or three of the key issues. We know that the single most important issue to this Board with respect to Concord issues is the adequacy number for education. Everybody on this Board knows that. Every State representative and State Senator knows it. I would argue that we work with them to fine tune the mechanisms by

which those figures are determined. I know that my colleague here to the left is doing that now and I know that there are State representatives that do it now. No disrespect to the lobbyists that submitted proposals. We had excellent proposals. The firm that we chose is an excellent choice. I think there is just a difference at least from this Alderman as to the need and as to where the responsibility lies and I would urge my colleagues to ask that the Mayor's Office continue or begin to use that office as the mechanism by which we lobby on behalf of our City.

Mayor Baines stated David Scannell who used to work in my office forged some very positive relationships with leaders in the NH delegation and followed legislation the best he could. We don't have the ability to send people up to Concord like the Mayor of Nashua does. He basically has a staff person because he has more staff people who is up in Concord all the time. So our office has been actively engaged with the delegation. In fact, Mike Colby, who has experience up in Concord has continued that and meets regularly with the leader of the delegation, Representative Pepino, to help us follow legislation as best we can.

Alderman Porter asked Alderman Shea what would be the cost if they were to start for example on June 1. I noticed the annual following would be \$15,000, which comes to a little over \$1,000 a month. Would they do a prorated amount? What I am getting at is I don't think we would be spending \$15,000...we are members of the NHMA through December. If they were engaged June 1 or May 1 what would the price be on a prorated basis and then we could certainly review the activity on behalf of the City by Sheehan Phinney and also the activity on behalf of Manchester by the NHMA before we made a decision whether we had to rejoin NHMA.

Alderman Shea responded before we run we have to walk so basically I think the best way to answer your question would be to first of all decide whether as a Board we want to accept the lobbyist group. The second point would be they would negotiate with whomever in the City is in a position to negotiate. Obviously if they were going to negotiate with me I would try to get the best price possible and tighten the belt as best we could but I am not in that position. I would think that there is something that has been written that obviously could be negotiated. In answer to your question, I don't have a specific answer.

Alderman Gatsas stated I believe my colleague from Ward 1 was correct. Alderman Wihby is the one that made that motion. He made that motion with the intent that we would choose one or the other. I don't think it was his position or his motion that we would engage both the Municipal Association and a lobbyist. Let's understand that even if we wanted to engage them, Alderman Porter and I think Alderman O'Neil will agree that if we put somebody in effect starting in June they are going to run into maybe three or four Senators for the next five months because people are out campaigning and you find two or three that may be sitting on a study committee. To engage somebody before January, I think the lobbyist who has been selected probably would agree that the bang for the buck isn't there. I still believe,

your Honor, that this isn't about hiring a lobbyist because at \$15,000 for somebody and let's not misunderstand ourselves that somebody from Nashua is in Concord on a daily basis because they aren't. They are there on the days that a bill may affect Nashua. Certainly, your Honor, I have seen you there in the past and you have been there to testify on bills and I have seen people from other departments up there testifying on bills. I think that we certainly have the ability to testify on bills and put the City's position forward. I don't know if we need to spend an additional \$15,000 or spend the \$15,000 and eliminate the \$25,000 but we should be doing one or the other and not both. I think it is important and imperative that we are talking about budget deliberations here and we need to make a decision. We don't need two lobbyists representing us in Concord.

Alderman Smith stated I do have a question. It came out of committee and I don't know if it is unanimous. It looks like everybody is going in a different direction but I was thinking if we are carrying the Municipal Association until December why don't we take the vote if Alderman Shea can tell me what the vote is and I am not quite sure. I don't even think that members of the committee are agreeing with themselves now. Was it unanimous?

Alderman Shea replied basically the members of the committee, including Aldermen Roy and Guinta and Carol Johnson as well as Tom Arnold and Mike Colby...I can't say that we necessarily took a vote. The vote was that we would recommend to the Board of Mayor and Aldermen our choice. Now most of us felt that it was the best selection so I can't say that Alderman Guinta agreed. He had questions and so forth. He indicated to me that he had concerns regarding this particular matter as he has expressed this evening. While I have the floor I wanted to take a little bit of...you know I can say that Alderman Wihby did want to belong to both and Alderman Gatsas says that he didn't. That is a matter of opinion until we check personally with him, your Honor. My understanding at the time was that he did make a comment that we should have a lobbyist. I don't think the discussion about the NH Municipal Association came up, however, be that as it may I am in favor...I believe it is a wise investment. I am very frugal in what I approve or disapprove on this Board but I do think that this would be beneficial for the citizens of Manchester and I agree that we don't necessarily have to start this process before January but we must have it because we don't have, in Concord, the necessary information. I testified up in Concord and I would have appreciated lobbyists kind of giving me help because I wound up going to blows almost and I almost got excluded from that particular session if you recall. I would have appreciated the lobbyists giving me some help, which they could have done and not go up there cold turkey as it were.

Mayor Baines stated I don't want to bring Alderman Wihby into this. The Aldermen here need to decide whether they think it is in the best interest of the City.

Alderman Roy stated I would like to speak towards that committee. It was based on a selection and I think all of us, including the staff members and the Chairman and the



Alderman from Ward 3 went into it with a very skeptical eye to see what we would be spending on behalf of our taxpayers. Just to give you an example of my rationale of this and clear up some misinformation, we are talking about \$1,000 per month. The contract price for 2005 goes up to \$1,250 per month per the bid. The remainder of this year would be \$1,000 a month, which they did agree to prorate so we are talking about a \$7,000 value for calendar year 2004. In looking at this and looking at just what the Mayor is going to testify on tomorrow I believe which is adequate funding, the proposals in Concord including Senator Gatsas' vary anywhere from \$200,000 to \$300,000 to \$5 million. I look at this as very short insurance that our interests and only the interests of the City of Manchester are being followed by a designated in Concord lobbyist. This isn't a matter of one or the other. Alderman Wihby's motion did not say one or the other. It was look into an RFP for lobbyist services. I believe the numbers that came back are very prudent and very well calculated. They were all in line and we interviewed the best companies and we chose the best lobbyist. The \$7,000 would be good money spent for the taxpayers of Manchester to protect our interests.

Alderman Guinta stated I just want to clarify...my colleague asked a question about whether our committee was unanimous. Chairman Shea said that we didn't take a formal vote and he is correct. Our job as a committee was to determine who of the nine would be the best and most qualified firm to represent the City of Manchester should the full Board decide we would like representation. I was part of that vote and I think you are seeing the best firm out of the nine in the room tonight. My separate view is from a policy standpoint I don't necessarily think it is the right policy decision but that is separated from who the best of the nine firms were just as a point of clarification.

Alderman Lopez stated I learned more about the NH Municipal Association and I hope my fellow colleagues learned a little bit about them with the presentation tonight and the documentation. I can tell you that five representatives spoke to me at a Democratic function and they told me that it would be a slap in the face because we haven't coordinated totally with our representatives. I know that this Board took action I want to say maybe a year or two ago and directed all department heads who were going to go up and testify to notify this Board. They have been very good at that and I think that there is not an issue at the state level that the Mayor or Board of Aldermen do not know something about and even department heads. I know that Mr. Dillon from the Airport has been up there on a few occasions and he has always instructed us as to some of the things he was going to go up and testify on. I think what happens is you get too many people up there as lobbyists. I am not sure that \$10,000 or \$15,000 is the issue. As time goes on...how much time are the lobbyists going to put in for \$1,000 or \$10,000? They are not going to be up there every day just taking care of your issues. I just can't support sending another lobbyist up there. I think there are plenty of people. We have three State Senators in the City of Manchester. More coordination, whether it be with the Aldermen...I know the Mayor's Office can't handle everything but there are department heads here. It could be a sub-committee of department

heads to meet with these people and make sure that they understand how they are voting. It is possible that we are not coordinating with them and there is no communication. Five representatives told me they were offended that someone was going to take their position so to speak so I just can't vote for this.

Alderman Roy stated just to speak to some of Alderman Lopez's concerns, I have spoken to a number of our representatives as well and one of the problems of our representatives is sometimes they do not vote the way the taxpayers of Manchester want them to or they vote the way their party goes. This is a bi-partisan Board and as such we represent only the City of Manchester...

Alderman Gatsas interjected non-partisan.

Alderman Roy stated non-partisan excuse me but our representatives have also not been very coordinated and that was one of the questions we raised with the selected firm and other firms that we interviewed. What I would like to do if we can have the opportunity because they are here is have Bruce and Valerie attest to some of the time commitments and while they are coming up to the podium I would like to speak to the fact that the gentleman from the Municipal Association made the statement that if something happens in the town of Sandown that is underneath the radar of a department head or the Mayor's Office in the City of Manchester and it is made law, it will affect the City of Manchester the same way it will affect every other municipality in the state. On that note, I would like Bruce to talk about some of the work that has been pledged and the costs and anything he would like to add to the conversation.

Mr. Bruce Berke stated I am President of Sheehan Phinney Capital Group and with me this evening is my partner, Valerie Acres. I think to address Alderman Roy's question about the time involved and the commitment involved, Valerie and I on behalf of all of our clients spend time at the State House on a daily basis. We are not there just on days when particular issues for a particular client are there. We basically live there at least when Senator Gatsas is there. We spend a lot of time at the State House and in the Legislative Office Building and that is the place where beyond just the public hearings on bills that is the place where the issues and the debates take place. It is important from our perspective in representing our clients that we are spending time in those two buildings being available to legislators and proactively addressing legislators so that we can best represent our clients in that setting. Does that address your question, Alderman?

Alderman Roy responded yes and if you could also clarify the discussion regarding costs.

Mr. Berke stated we would be willing to negotiate this year's contract for the rest of this calendar year through December 2004. I think we had established the rate at \$1,000/month

March through December. Alderman Gatsas is correct in terms of the level of legislative activity and we would be willing to prorate that going forward.

Alderman Roy stated earlier Bruce you were here when the gentleman from the Municipal and the attorney from the Municipal Association said that Nashua has a real advantage and I quote those two words because they struck me because I didn't expect to hear them from the Municipal Association speaking about a hired lobbyist that works for Nashua. Do you feel that you would give Manchester a "real advantage" to use the Municipal Association's wording?

Mr. Berke responded to use their wording I suppose it could be termed "real advantage." It would definitely be an advantage. There would be more direct contact between our firm and the City of Manchester as to what is taking place from the City of Manchester's perspective in Concord and we think that the service that we could bring to the City would be beneficial in that regard.

Alderman Gatsas stated with the assistance of my colleague in Ward 1 I can tell you that Nashua does not have a lobbyist. They have a representative. They have somebody that watches legislation. A lobbyist is someone who comes in and gives you their side of the story. Certainly I have the utmost respect for both the Municipal Association and Bruce and his colleagues. It is not about a decision and choosing one or the other because I think both of them would do an excellent job as the Municipal Association has done in the past for the City of Manchester. My position is that I don't think we need them both because there are situations that are going to arise that I am sure the City is going to be in the predicament with a lobbyist one way or the other be it the Municipal Association or the lobbyist that we have here. I can tell you that they both do a great job. Their voices are heard in Concord and they have the utmost respect of the colleagues in the Senate and the House. So I don't think it is a question of choice. I think it is a question of dollars and that is where my vote will be based on dollars. So if we can divide this so we make a choice of one or the other that is fine but both is not something I can support.

Alderman Shea stated I really don't agree with Alderman Gatsas that there would be a conflict between the Municipal Association and our lobbyist firm. Have you ever run into that kind of a problem? I don't know if you have represented people who have been a member of the NH Municipal Association. Have you had conflicts with them, Bruce?

Mr. Berke responded I am not sure if Alderman Gatsas' comment was directed at a conflicting situation between the Sheehan Phinney Capital Group representing the City of Manchester and the City of Manchester also participating with the NH Municipal Association. I don't want to put words in his mouth.

Alderman Gatsas replied Bruce is absolutely right and again I would even go a step further. If Bruce and Sheehan Phinney will guarantee the City \$45.5 million I will vote for that \$15,000 number but I don't think that even they can give us that guarantee.

Alderman Shea stated one of the things that we did discuss was that your firm would get information back to the City in the form of some sort of a liaison and I think that Mike Colby who works for the Mayor's Office would then disseminate that information to the rest of the Aldermanic Board members, which would help the Aldermen know what is going on. I think that there are a lot of problems at the state as we both know that would ultimately impact our City here in terms of their passing legislation that might ultimately result in the taxpayers of Manchester having to pick-up certain expenditures that are either being pushed on to Hillsborough County, which we pay taxes for or maybe in terms of the City. Now I can't say specifically what these may be but it helps to be aware of these so if we have a discussion at this Board we can be aware of that. Can you elaborate on that Bruce if you might?

Mr. Berke replied I agree with what you said and in going back to your original question about Valerie and myself working with the NH Municipal Association I think that we would have a very positive working relationship with them. I have known Maura Carroll for almost 20 years. Maura and I have had a good working relationship on different issues over the years and I know that Valerie has as well.

Alderman Shea asked so you see no conflict there.

Mr. Berke answered no.

Alderman DeVries stated my question would be actually for the service providers and the very first service you are indicating is for Manchester to identify and prioritize legislative service requests. Can you walk me through that process? Are you going to be in here in front of the Board of Mayor and Aldermen or will there be a mailing to let us know what you think is there that would be of interest and then you will follow that up with a face-to-face with the entire Board or what is going to be the process to decide what legislation you will be lobbying?

Ms. Valerie Acres responded that is exactly what the process would be. First we get bill titles and later on we get the actual bill. We read everything that comes in the door that might be of interest to you. We would put it together and get it to you. As to what the entity would be I think that would be up to you should you pursue this track and up to the Mayor too of course whether we would work more closely with Mike Colby or with the Board as a whole. It could be issue by issue. You might want a sub-committee to work with us. We do it different ways for different clients. In some cases we work with the executive director or the president of the company. In some cases we have a legislative committee that is

established to work with us. I hope our proposal communicates to you that we are very, very flexible in how we handle communications whether you want face-to-face meetings or whatever.

Alderman DeVries stated just to follow-up because I believe I started this evening not believing that I could support this legislation and the one thing that has dawned on me that I don't think has been brought to light is that we rely on our current elected officials. The information coming from them is only as good as the committees that they are in attendance at and are following. You are telling us that you would have better attendance or complete attendance to follow through the entire process and legislation as opposed to a body with a City assignment that we might be getting feedback on.

Ms. Acres responded our normal procedure is that once we identify those bills that would be of interest to the City of Manchester and that is a two-way street by the way because sometimes we might read a bill and not realize that it affects you so we are hoping that as you hear things from your staff members or from your delegation that that information would flow up to us as well. We do our best to find everything that would be of interest to you. Once we have that list compiled, we have a priority...we would sit down with you and determine the order of priority and the level of coverage that we provide on a particular bill would be driven by the priority that you assign to that. Bear in mind, however, that those are also fluid so that if an amendment comes into a bill that would no longer make it a priority three but all of the sudden it becomes a top priority for you, we make those changes as well. It is a constant give and take. You decide what is important to you and what priority you would like to give each bill.

Mr. Berke stated I want to add that it is absolutely critical that the City and the representatives of the City participate in the process because it is going to be much more effective so that the City or the appropriate person will show up in Concord to testify on bills. We are there to take that person through the process as the bill goes forward towards passage or defeat.

Ms. Acres stated can I just add at this point that there has been mention that many people have gone up to testify on this day or that day and that is an incredible opportunity for you and something you should pursue but what also happens is people don't follow-up and go to all of the work sessions that happen afterwards. They may not know of an amendment for something that you are talking about in one committee that appears on a different bill in a different committee. That is our job. We are there all the time and we are there to let you know and help you prioritize when you should be in Concord both for testimony at a hearing but also for the follow-up. It is not just a matter of showing up and stating your case and walking away.

Alderman O'Neil stated we have a business decision to make. Maybe Bruce or Valerie could help me with this. Any idea of the number of registered lobbyists up in Concord?

Mr. Berke replied I know the number of interests exceeds 500 but the actual number of lobbyists in Concord I would guess is maybe in the 150 range.

Alderman O'Neil responded there is a reason for that. Business is very interested in what goes on in the State House as should the City of Manchester be. We need people that live and die Concord, NH five days a week, 52 weeks a year. With all due respect to those that have served and I was one of those and who are currently serving, very few in the Legislature can say they are up there 5 days a week, 52 weeks a year with the exception of my colleague to my left. In all honesty, Alderman Gatsas does put in a considerable amount of time but I can honestly say in having served I wasn't up there 52 weeks a year, 5 days a week. Speaking as having not only served as a member of this Board but having served in the State Senate, I think this is the right decision. It is almost like it is a pilot program. If after the contract expires we are not pleased with it, we don't renew it. So I would encourage my colleagues to support the motion to hire the lobbyist and as Alderman Porter pointed out we still have the Municipal Association through December and we can make that decision at a later date.

On motion of Alderman Shea, duly seconded by Alderman Garrity it was voted to move the question.

Alderman Gatsas asked is there any way that we can...I believe it is imperative that we are either voting to have two lobbyists or if it is this Board's choice to have one lobbyist.

Mayor Baines stated the motion...really you have two parts to it. Number one first of all is really not pertinent because we are members of the Association through the end of December because we have already paid our dues.

Alderman Gatsas responded well maybe we should amend that motion because as I said before this session is coming to a very quick end and I think that for the City to be investing \$1,000/month for a lobbyist for a time when nobody is going to be there because this session ends May 3 and there are study committees as I said before that are going to be up there without many people in attendance. You probably...I can tell you and the lobbyist can testify that during those study committees very seldom do you see a Senator there except for one or two and very seldom do you see the full quorum of House members. I think if we have a condition with the Municipal Association until December then we should make a decision in December on choosing one or the other but I don't think we need to engage both at this time.

Mayor Baines stated again you have made that point. Now discussion is over and the Clerk will read the motion.

Deputy Clerk Johnson responded the motion that was made was actually to accept the Committee report and keep the NH Municipal Association. We have a subsequent motion to that end.

Mayor Baines called for a vote. Alderman Gatsas requested a roll call. Aldermen Gatsas...

Alderman Guinta interjected point of order. What is the motion again?

Deputy Clerk Johnson responded to accept the Committee report and keep the NH Municipal Association.

Alderman Guinta asked so only to keep the NH Municipal Association is what we are voting on.

Deputy Clerk Johnson answered no you are also accepting the Committee's report for the lobbyist selection.

The roll call vote continued with Aldermen Gatsas, Guinta, Osborne, Lopez, and Garrity voting nay. Aldermen Sysyn, Porter, O'Neil, Shea, DeVries, Smith, Forest and Roy voted yea. The motion carried.

Mayor Baines stated I have asked the Deputy Clerk to draw up a motion so that we can draw up a contract for the rest of this year.

Deputy Clerk Johnson stated your Honor I just want to advise you that Alderman Gatsas has just advised that he wants to give notice for reconsideration.

Mayor Baines asked could you proceed with the motion.

Deputy Clerk Johnson stated the motion would be to authorize the Mayor to execute a contract with Sheehan Phinney Capital Group for legislative lobbyist services as outlined in the amount of \$1,000/month through June 30, 2004, such contract to be paid with contingency funds and provide for extension subject to funding by the Board of Mayor and Aldermen at levels as provided in the report.

Alderman Shea moved the motion stated above. Alderman Roy duly seconded the motion.

Alderman Roy stated I wasn't sure of that date. Could you reiterate the date?

Deputy Clerk Johnson responded it is my understanding that the Mayor has requested us to format a motion that would carry expenditures through June 30, 2004 out of contingency funds because you have no funding mechanism at this time and to provide for an extension subject to funding by the Board in the budget. We wanted to clarify that that would also be part of what was submitted as part of the RFP.

Alderman Gatsas stated I believe I made a motion for reconsideration and the last time we had this discussion when it was about your Honor signing a contract you made it abundantly clear that the motion of reconsideration if it was before you and you understood that that we wouldn't enter into contracts until the next meeting when we had the opportunity to make that reconsideration at that time.

Mayor Baines called on the City Solicitor.

Deputy Solicitor Arnold stated if the Board were to vote tonight to authorize the Mayor to sign the contract and he did so then that would be a binding contract.

Mayor Baines stated so the Board has the authority to authorize me to sign a contract.

Deputy Solicitor Arnold responded yes.

Alderman Gatsas stated I believe we went through this once before about a contract. I think the City Solicitor better make sure that he is consistent in his rulings.

Mayor Baines responded well I would suggest that and if there is any clarification that is needed we will deal with that tomorrow.

Mayor Baines called for a vote.

Alderman Gatsas asked does that mean that if tomorrow the ruling that was made in the past is not consistent with the ruling he made this evening that you will take up the motion for reconsideration at the next meeting.

Mayor Baines answered what I have tried to do always as Mayor is to take the advice of the City Solicitor.

Alderman Gatsas replied and I am challenging his advice, your Honor. I am going to appeal to the Board because I think every Board member is giving me that look like he ruled that way the last time I brought this particular subject up.

Mayor Baines responded we will clarify that. We have a motion on the floor and it has been duly seconded. I am going to call for a vote. Alderman Gatsas requested a roll call.



Alderman Gatsas stated before we do the roll call I would like to appeal to the Board on the Solicitor's ruling.

Mayor Baines responded we can deal with that separately. It will still be the same question to deal with after this vote is taken. We have the right to take this vote, clearly. Call the roll please.

Deputy Clerk Johnson stated I was requested to restate the motion. The motion would be to authorize the Mayor to execute a contract with Sheehan Phinney Capital Group for legislative lobbyist services as outlined in the amount of \$1,000/month through June 30, 2004, such contract to be paid through contingency funds and provide for extension of the contract subject to funding by the Board of Mayor and Aldermen at levels as provided in the report.

The roll call vote proceeded with Aldermen Gatsas, Guinta, Osborne, Lopez, and Garrity voting nay. Aldermen Sysyn, Porter, O'Neil, Shea, DeVries, Smith, Forest, and Roy voted yea. The motion carried.

Alderman Gatsas moved to appeal to the Board on the Solicitor's ruling. Alderman Guinta duly seconded the motion. Alderman Shea requested a roll call vote. Aldermen Shea, DeVries, Smith, Forest, Roy, Sysyn, Porter, and O'Neil voted nay. Aldermen Garrity, Gatsas, Guinta, Osborne, and Lopez voted yea. The motion failed.

Alderman O'Neil stated we have one other item here, Item 9 regarding Commissioner Boisvert. He has been sitting patiently.

Mayor Baines stated okay let's take that up and then we will have a brief recess.

Communication from Alderman Forest nominating Eugene "Gene" Boisvert to succeed himself as a member of the Manchester Transit Authority, term to expire May 2009.

On motion of Alderman Forest, duly seconded by Alderman Shea it was voted to nominate Gene Boisvert to succeed himself as a member of the Manchester Transit Authority.

On motion of Alderman Smith, duly seconded by Alderman Garrity, it was voted to close the nominations.

On motion of Alderman Smith, duly seconded by Alderman Porter it was voted to suspend the rules and confirm the nomination of Gene Boisvert to the Manchester Transit Authority, term to expire May 2009.

Mayor Baines stated Gene Boisvert has been a personal friend of mine for well over 30 years. He is one of the finest most dedicated public servants and he has done a great job with the Authority and good luck for another five years.

Mayor Baines called for a brief recess.

Mayor Baines called the meeting back to order.

### **CONSENT AGENDA**

Mayor Baines advised if you desire to remove any of the following items from the Consent Agenda, please so indicate. If none of the items are to be removed, one motion only will be taken at the conclusion of the presentation.

### **Ratify and Confirm Polls Conducted**

- A. Authorizing approval of the Committee on Traffic/Public Safety report adding two-hour metered parking on High Street from Union to Pine Streets rather than two-hour parking.  
(Thirteen Aldermen voted yea and one Alderman absent.)
- B. Approving request of Deputy Clerk Normand that authorization be given to send requests for proposals to interested parties (vendors), accept offers, award the vending spot at City Hall to the highest bidder, and issue the license by May 1, 2004.  
(Thirteen Aldermen voted yea and one Alderman absent.)

### **Accept Minutes**

- C. Copies of minutes of meetings held on February 3, 2004 (two meetings); February 17, 2004 (three meetings); March 3, 2004 (two meetings); and March 4, 2004 (joint BMA/BOSC meeting).

### **Approve – Under the Supervision of the Department of Highways**

- D. Verizon Pole Petition #9AAMRH located on Teaberry Place, Treetop Lane, and Streamside Drive.

### **Informational – to be Received and Filed**

- F. Copies of minutes of the Mayor's Utility Coordinating Committee meeting held on March 17, 2004.
- G. Copies of minutes of the MTA Commission meeting held on March 1, 2004 and the Financial and Ridership Reports for the month of February 2004.
- H. Communication from the Director of Planning & Community Development advising of staff efforts to develop a Hazard Mitigation Plan which is required by the Federal Emergency Management Agency.

- I.** Copy of a communication from the NH Division of Historical Resources to Mayor Baines advising that the Dunlap Block in Manchester is to be considered for nomination to the National Register of Historic Places.
- J.** Communication from the NH Department of Transportation advising of a public hearing to be held on Thursday, April 8, 2004 at the Highlander Inn at 7:00 PM to discuss proposed mitigation for the Bedford-Manchester-Londonderry-Merrimack project.
- K.** Communication from the NH Department of Transportation advising of contemplated awards.

**Informational Only – Referred to the Committee on Lands and Buildings**

- L.** Communication from Dick Dunfey, Secretary/Treasurer of the Manchester Housing and Redevelopment Corporation, seeking authorization of the sale of French Hall property on Hackett Hill Road to Easter Seals NH.

**REFERRALS TO COMMITTEES**

**COMMITTEE ON FINANCE**

- M.** Appropriating Resolutions:

“Raising Monies and Making Appropriations for the Fiscal Year 2005.”

“A Resolution appropriating to the Manchester Aggregation Program the sum of \$834,682 from Aggregation Fees for the Fiscal Year 2005.”

“A Resolution appropriating to the Manchester Airport Authority the sum of \$44,898,329 from Special Airport Revenue Funds for Fiscal Year 2005.”

“A Resolution appropriating the sum of \$2,890,903 from Recreation User Charges to the Recreation Division for Fiscal Year 2005.”

“A Resolution appropriating the sum of \$14,584,987 from Sewer User Rental Charges to the Environmental Protection Division for Fiscal Year 2005.”

“A Resolution appropriating to the Manchester Transit Authority the sum of \$1,061,785 for the Fiscal Year 2005.”

“A Resolution appropriating to the Manchester School District the sum of \$138,500,000 for the Fiscal Year 2005.”

“A Resolution appropriating to the Manchester School Food and Nutrition Services Program the sum of \$5,162,270 from School Food and Nutrition Services Revenues for Fiscal Year 2005.”

“Appropriating all Incremental Meals and Rooms Tax Revenue Received by the City in Fiscal Year 2005 and held in the Civic Center Fund, for the payment of the City’s Obligations in Said Fiscal Year Under the Financing Agreement.”

“A Resolution appropriating to the Central Business Service District the sum of \$225,000 from Central Business Service District Funds for Fiscal Year 2005.”

“Continuation of the Central Business Service District.”

“Approving the Community Improvement Program for 2005, Raising and Appropriating Monies Therefore, and Authorizing Implementation of Said Program.”

“Establishing a Manchester School District Capital Projects Expendable Trust.”

“Establishing a Manchester School District Facilities Maintenance and Repair Expendable Trust.”

“Establishing a Manchester School District Health Maintenance Expendable Trust.”

“Establishing a Manchester School District Athletic Equipment Expendable Trust.”

“Establishing a Manchester School District Special Education Expendable Trust.”

**O. Resolution:**

“Amending the FY2003 Community Improvement Program, authorizing and appropriating funds in the amount of Three Hundred and Ninety Thousand Dollars (\$390,000) for FY2003 CIP 811103 Senior Center Planning Project.”

**REPORTS OF COMMITTEES**

**COMMITTEE ON ADMINISTRATION/INFORMATION SYSTEMS**

- P.** Recommending that the Board approve an Ordinance establishing a 100 foot distance from the door of a polling location to the beginning of the 10 foot corridor allowed by statute for people holding signs at the polling places. The Committee recommends that same be referred to the Committee on Bills on Second Reading for technical review and to the City Solicitor for language preparation.

**BILLS ON SECOND READING**

- R.** Recommending that Ordinance:  
“Amending the Zoning Ordinance of the City of Manchester by extending the B-2 (General Business) zoning district to include a portion of TPK 3-5A, a portion of TPK 3-5B, a portion of TPK 3-6, TPK 3-6A, TPK 3-7, & TPK 3-8 currently zoned R-3 (Urban Multifamily).”  
ought to pass.
- S.** Recommending that Ordinance:  
“Amending the Zoning Ordinance of the City of Manchester by changing the maximum height of residential structures in the R-3 (Urban Multifamily) district from 35 feet to 45 feet.”  
ought to pass.

## **COMMITTEE ON COMMUNITY IMPROVEMENT**

- V. Advising that they have approved a request from the Parks, Recreation and Cemetery Department to obtain three vehicles from the Aviation Department – two will be used as parts for their aging fleet of trucks and one will be used for yard work at the cemetery.

**HAVING READ THE CONSENT AGENDA, ON MOTION OF ALDERMAN O'NEIL, DULY SECONDED BY ALDERMAN PORTER, IT WAS VOTED THAT THE CONSENT AGENDA BE APPROVED.**

Alderman Roy stated that he would like to be recorded as abstaining from Item L of the Consent Agenda.

### **Informational – to be Received and Filed**

- E. Communication from Mayor Baines advising of the transfer of appropriations because of the urgent need to replace vehicles in both the Police and Highway Departments.

Alderman Guinta stated I was just looking for clarification regarding...I took a quick look at your memo and the salary item for number one, was there an additional amount...are we going to be short \$204,000 now or was that a...

Mayor Baines interjected there was a surplus in that account and we asked that the money be transferred to vehicle replacement.

Alderman Guinta asked is that the same thing for number two and are those two numbers in your budget proposal as well for FY05.

Mr. Kevin Clougherty stated that is coming out of this year, Alderman.

Alderman Guinta responded I know but we had discussions during this year about trying to take care of this in the FY05 budget.

Mayor Baines replied we have an MER number in there with some designated vehicles. This allows us to purchase more because you know we have a critical need in the Police Department so we consulted with the Finance Department and they agreed that this was a prudent transfer this year but there is additional money in MER as well. This allows us to advance because of the critical problems in the Police Department.

On motion of Alderman Guinta, duly seconded by Alderman Forest it was voted to receive and file.

Bond Resolutions:

“Authorizing Bonds, Notes or Lease Purchases in the amount of Three Million Two Hundred Thousand Dollars (\$3,200,000) for the 2004 CIP 712004, Replace Sludge Dewatering Equipment Project.”

“Authorizing General Airport Revenue Refunding Bonds in the amount of One Hundred Million Dollars (\$100,000,000) for Refunding Certain Outstanding Municipal Revenue Bonds of the City issued on Behalf of Manchester Airport.”

Deputy Clerk Johnson stated the Clerk would advise that we have a substitute resolution for the second one listed, which is the Airport resolution. We would look for a motion to refer those to the Committee on Finance with the second one as substituted.

Alderman O'Neil moved to refer the Bond Resolutions to the Committee on Finance with the second one as substituted. Alderman Roy duly seconded the motion.

Alderman Gatsas asked the equipment...your Honor I can tell you at the state level there is a major concern because I believe in the year 2007 communities must find a place for wastewater treatment and I think that maybe we need to take a look at what our contracts cause I know we have four or five contracts in place now, one with Plaistow, one with Atkinson, one with Litchfield and I forget the other two but I think it is imperative that these communities that are going to be looking that we make sure we have contracts that are going to protect us from whatever we may need to use in that position.

Mayor Baines called for a vote on the motion. There being none opposed, the motion carried.

Report of Committee on Administration/Information Systems recommending that the Board of Aldermen set the Mayor's base salary at \$85,000 per year effective January 2006 and that each year that a mayor provides continuous service the salary for such position shall be increased in accordance with the Consumer price Index (CPI). At any time a person initiates a term of office, or is appointed to complete an unexpired term of office, for the position of mayor the salary shall initiate at the base salary of \$85,000.00. The Committee further recommends that such provisions of salary for the mayor be forwarded to the voters as a non-binding referendum question.

Deputy Clerk Johnson stated the Clerk requested that this item be removed. The action that was taken by the Committee really needs a referral to the Committee on Bills on Second Reading or needs to go back to the Committee. The Solicitor has advised of some minor difficulties and we actually would like the wording of the question.

Alderman Roy moved to refer the report to the Committee on Bills on Second Reading.

Alderman Forest duly seconded the motion. Mayor Baines called for a vote. There being none opposed, the motion carried.

Report of the Committee on Community Improvement recommending that the Board authorize acceptance and expenditure of funds in the amount of \$390,000 for FY2003 CIP 811103 Senior Center Planning Project, and for such purpose a resolution and budget authorization have been submitted.

Alderman Guinta stated the \$390,000 appropriation, is that...can someone clarify where those funds came from.

Mayor Baines responded that is the amount that we are embarking on the fundraising effort, which is just continuing and is very successful.

Alderman Guinta asked so these are funds that have already been raised or...

Mayor Baines answered no. These are allowing as we did last year the appropriation to go up to that sum amount to complete the full build-up of the senior center.

Alderman Guinta responded I am not sure that I understand that. Are you saying that we are making a general fund appropriation?

Mayor Baines replied no it is the same appropriation because we estimated the amount of the contributions that would be made.

Alderman Guinta asked so we haven't received that actual amount of funding yet.

Mayor Baines answered that is correct.

Alderman Lopez stated the resolution that we did the first time was for \$250,000. We are including \$375,000. That brings it to over \$500,000 that they can raise and put into that fund. We have \$275,000 so we went over the original resolution so we have to include another \$390,000 that we are raising.

Alderman Guinta responded to me it reads as if it is an appropriation.

Mr. Clougherty stated my understanding is the authorization is to expend the money if it becomes available and as it becomes available.

Mayor Baines stated it allows us to complete the project.

Mr. Robert MacKenzie stated again it was my understanding and we had a brief discussion with a couple of members...at this point they need to make some decisions on the senior center and this would allow the money to be expended up to \$500,000 and it would be anticipated that that is the amount that would be from contributions.

Alderman Guinta asked so we actually have not raised this money yet. We are going to be spending this money in anticipation of the funding reimbursed by private funds raised?

Mayor Baines asked how much have we raised to date.

Alderman Lopez answered \$275,000 as of yesterday.

Alderman Guinta stated so there is a fiscal impact. There is a possibility that we can't raise the additional \$390,000 and this is going to be coming out of general funds.

Alderman Lopez stated Mr. MacKenzie relayed to the people at the meeting that we are getting additional money in so you have to include that in the total. When you receive it, you have to put it someplace and then it will be spent as you go along. Now correct me if I am wrong, Mr. MacKenzie.

Mr. MacKenzie responded again as I understood it when we met and the Deputy Finance Director was there, the City would expend up to and I would clarify the \$390,000 is added to a number that was already there of \$110,000 so that brings the number of expected contributions to \$500,000. We have, as I understand it, so far committed \$275,000. As I understood it and I guess I wanted to get this clarified as well, the City would be expending that full \$500,000 whether or not they had it yet and then the fund would be reimbursed over time as the contributions came in.

Mayor Baines replied that is absolutely correct and that allows us to complete the full build-up of the senior center as we continue to work with...we are getting some significant contributions in the community to get us there and we are very confident that we are going to meet that \$500,000 goal. This allows us to complete the senior center as we continue to raise money.

Alderman O'Neil asked Bob could you just repeat what you said. I am on the CIP Committee and I thought all we were doing was allowing capacity to raise \$500,000 in private funds. What you are saying is if they don't raise that money we are on the hook for the balance?

Mr. MacKenzie answered yes that is correct.



Alderman Shea stated no that is not...I asked that question specifically of him if you recall and it was that we had raised upwards of \$390,000 and there was nothing said about spending upwards of \$500,000. You did not say that at that meeting that night Bob and neither did Randy Sherman. All you said is that was the amount of money that we had raised that we would spend towards the senior center. That is really what was said and I think that all of the members of the Board would concur with that. There was nothing said about spending upwards of \$500,000 to make up the \$110,000 because I would not have voted for that.

Alderman O'Neil stated for clarification this is what I recall and other members of the CIP Committee can correct me. We were allowing room to raise \$500,000 in private funding but what I am hearing tonight is that if that \$500,000 isn't achieved we make up the difference out of City funds. Is that what I am hearing and that is new to me tonight to be honest with me.

Alderman Shea moved to table the item.

Mayor Baines stated it is a matter of completing the senior center on time.

Alderman O'Neil stated I understand that your Honor but that is not how it was presented to the Committee.

Mr. Frank Thomas stated I am not sure how it was presented to the Committee, however, we have commitments on the senior center project that included the fundraiser money and it was my understanding that this resolution that was coming before you tonight was basically appropriating that amount to be reimbursed by the fundraiser effort. That allows us to keep our project going and our contractual commitments on track.

Alderman Guinta stated I don't believe that is the most prudent way to fund this project. I think that the Mayor has asked the private sector and residents and others of Manchester to come forward to try to help build the senior center. I think that we ought to wait until that money is received before we appropriate it and I would support the motion to table.

Mayor Baines asked what would that do to the construction of the senior center.

Alderman Guinta answered you should have thought about that ahead of time.

Mr. Thomas stated it was thought about. This issue had come up earlier and that is why there was an authorization for smaller amounts, I believe. Right from the beginning...as you know there was \$500,000 identified in the total project funding and we need that \$500,000 to complete the project. Now if we don't get this resolution passed tonight we are going to

have to somehow cutback that project that amount until the funds are generated from the private sector.

Alderman O'Neil asked can we hear from the other members – Aldermen Smith, Garrity, Shea and Lopez as to what they heard at the CIP Committee. Maybe I missed something.

Alderman Smith stated I heard the same thing as you, Alderman O'Neil.

Alderman Lopez stated I heard what they said but I understand what Mr. MacKenzie is saying now and I wish that was said before. I still support it because the senior center has to go forward. We can't hold up the project. We are going to raise the money. Dave Nixon and the grant writer for the City and Barbara Vigneault are on top of it. They have raised \$275,000 and as that building goes up more people are going to donate and buy rooms and we will get the money. I am asking this Board to support this resolution.

Alderman Garrity stated it is about process. I have been talking to Alderman Smith who sits on CIP and I heard from Alderman Shea and Alderman O'Neil. It wasn't presented like that. I am not saying it is not necessary or justified but it is the process. I believe it has to go back to CIP and it has to go through the right process. It wasn't presented like that to the Committee. I think the Chairman of CIP is probably going to schedule a meeting next week if we need one.

Alderman O'Neil responded there is a meeting next Monday night.

Alderman Porter stated I have a question. You are talking about something holding up the project. I am on the committee with David Nixon and our rotary club, for example, gave a \$15,000 commitment and that was for a naming right. Why would any of these contributions hold up the construction or the completion of the senior center? A number of donations...one I believe was for the kitchen and that may have been for the interior or finishing but I know the rotary club and others have just gotten basically naming rights for a room. Why would that hold up construction?

Mayor Baines responded it is actually paying for what is going into those rooms as part of the budget for the project.

Mr. Thomas stated again the total project budget identified \$500,000 in private fundraising efforts. That was part of the budget, part of the commitment that was made, the contractual commitments that were made. Again, if the resolution doesn't move forward tonight or whatnot we will have to cut back. I don't know who made the presentation to CIP but if it is my staff I will definitely talk to them.

Alderman DeVries asked for clarification a portion of the \$390,000 has already been raised in the fundraising efforts.

Mr. Thomas answered we had an earlier start-up for \$110,000 and from what Alderman Lopez is saying it is up to \$275,000.

Alderman DeVries responded I guess my question is if there is a verified number of funds that have already been raised we can tonight reduce or amend this amount to reflect the fundraising efforts that have already transpired so the project can stay somewhat on track and then revisit the balance at CIP for a full discussion. Is staff disagreeing? So somebody just needs to verify a number.

Mr. Clougherty stated if the Board adopts this item tonight, what it is doing is allowing for the project to be increased to the total budget that was originally received, \$500,000 of which was raised in private funds. If the Board adopts that then the City will, as these dollars come in, expend those dollars and we will go up to \$500,000. We will advance those dollars to complete the project. However, the Board has to know that if the money doesn't come in from donations that difference is going to have to be a general fund item. That is the difference. Now the expectation is that the money will come in. There seems to have been progress on the fundraising but I have to inform the Board that if you go ahead with this item and approve it and not all of the donations come in the project will get done and the money will be made available but part of it will be...

Alderman DeVries interjected that wasn't exactly my point and Frank Thomas maybe you can clarify this for me. We have already raised \$275,000. Can we make the motion to amend it down from \$390,000 to \$275,000 of known funds already raised and keep the project on track until this can be referred back to CIP for further discussion? Will that prevent this from being derailed?

Mr. Thomas stated it is not reducing the \$390,000 down to \$275,000. It is reducing the \$500,000.

Alderman DeVries stated it is actually increasing the amount that we are outlaying for the building. I understand that.

Mr. Thomas stated but it would be a total authorization of \$275,000 instead of the \$500,000.

Alderman DeVries responded we can do it in steps.

Mr. Thomas replied we will have to put something on hold.

Alderman DeVries stated that will still require you to put something on hold because you have probably authorized on funds you have already received that just haven't been formalized.

Alderman Gatsas stated just to remind the City Solicitor on the vote that I was talking about a few minutes ago, it was about the senior center. Other than that I think this time for Alderman Lopez and your Honor I think we read the document this time and it didn't slide by on the consent agenda as the last bonding issue did. You were right. We read it this time.

Mayor Baines replied I was not at the CIP Committee.

Alderman Gatsas responded this was on the consent agenda just like the original bonding for the senior center and we didn't go through and read it and I think you made us a little bit more astute then when you said we should read it before we vote on it. I think that it is imperative that we understand because I just heard from Alderman Porter saying that the \$15,000 that the rotary donated went to naming rights and other funds that were donated went to the kitchen and things like that. So is there really \$275,000 in an account for construction or have those funds been dispersed in other positions.

Alderman Lopez stated there are some people who have pledged money over a two-year period and over a three-year period. As a fundraising and I don't know if the grant writer is here but Barbara can you come up and answer some questions. Everybody is right in what was told to us at the Committee level but we are hearing a different story now. I don't believe it is right to hold up the project when everybody is so enthused about it and the money will be coming. Now yes okay as it was said by the Finance Officer if we don't raise the money we are on the hook for it but what are we going to do? Not put the roof on. The procedure was wrong to a degree and nobody has tried to deceive you, Alderman. Five Aldermen just spoke up and said what was told to us and that is what we went by but now that we understand it and if we read the resolution it says \$5,000 Other. Let's continue with the project. That is the most important thing at this stage.

Ms. Barbara Vigneault stated the fundraising campaign goal was to raise \$500,000 and the committees have been working hard to do that. It is at \$275,000. The most important thing that I think this vote tonight would do for the campaign is that a lot of these corporations and organizations and banks have contributed their pledges towards the sponsorship of rooms or areas of the senior center and that is part of a fundraising campaign. That is how they do it in order to get money for those sections of a building. If those sections or parts of a building aren't complete, then the campaign people, the people who are putting their names on the line to raise these funds and the corporations and the companies that are donating towards these rooms and areas are going to be very angry and disappointed that those sections don't get funded because they are expecting to see their recognition for what they have been promised that they will get.

Alderman Porter stated I also think that it could jeopardize future fundraising. I know that if somebody came to me about a project that is stopped, I would be somewhat reluctant to contribute. I recommend that we go ahead with this item.

Alderman Roy stated I have spoken with David Nixon regarding the fundraising as well as worked with Alderman Lopez. I think it is very naïve of this Board to look at the fact that the previous Board appropriated funds, left a \$500,000 gap and sent the public out to raise it without knowing that if that fundraising effort was not completed that it would not come back in front of this Board to fill in that gap and complete the senior center, which was long discussed. My viewpoint is as I agree with Alderman Garrity, the process is not the way that I remember it sitting through CIP Committee back then but it is something that we do need to move forward on and give the seniors their center and put David Nixon out there to raise funds. If it comes up short I have a full expectation that it will come back in front of this Board for appropriation.

Mayor Baines responded first of all, it is not just David Nixon. It is the Mayor. It is Seth Wall. It is Kim Zachos. It is Pat Duffy. There is a whole group going out in the community and knocking on doors to try to get a commitment to the center. I agree with what Alderman Porter said.

Alderman Guinta stated I believe that this was the Mayor's idea to have a public/private partnership because of the cost of the center. When Alderman Roy says that this is not the appropriate way to be handling a project he is absolutely right. We knew that this possibility could happen. I think it is important...this represents ¼% on the tax rate if it is not raised. The Mayor in his budget address said that an 8% tax increase is a maintenance budget. Well, what are we going to have 8.25%? What do you call that? If 8% is maintenance, what is 8.25%? I think that we need to wait for the funds, be responsible and when the funds are received use the funds at that time. I would renew my motion to table.

Mayor Baines replied let me just correct a little bit of history here. The cost of the project came in at about \$500,000 over the appropriation. Am I correct, Frank? Yes. That is when we said we couldn't get additional money from the Board to do the full build out and Dave Nixon heard me talking about the problem and he called me and said I understand there is a \$500,000 gap and I am going to help you raise the money to make sure the center can be built. That is how it happened because there wasn't enough money after the costs came in to do the full build up. A lot of us have devoted a lot of time and energy and businesses have made commitments because there is a gap and they are trying to build the senior center...no one else is out there begging for money to build the schools or to do other projects in the City. We committed to doing that. We are still committed to doing that. Attorney Nixon is very committed to doing that. We are devoting a lot of time and energy to going out and

getting commitments from the business community. We should build the senior center, get the commitments and get the job done.

Alderman O'Neil stated I don't have a problem with it and I will make a motion that we do the \$390,000. My whole point was that is not what we were told and that is what the problem is here. I agree with you. Let's get it done.

Alderman Gatsas stated I think there needs to be some clarification because it sounds like this Board or the last Board were not expending money for the senior center. Let's not forget that my belief is that the total cost of the senior center was close to \$4 million. Let's not for one second say that the last Board didn't do its appropriation in the correct way to finish the project because we spent in excess of \$4 million on that project already. Now my understanding was that the upper floor wasn't going to be completed. That is what this Board was told. This Board was told that the \$600,000 would complete the upper floor and we would leave that vacant and uncompleted until we got the funds to do it. Now this wasn't about putting a roof on or doing something else. This was about the upper floor not being completed. That is what this Board was told. That is what we all understood. Now to come before us tonight and however...I didn't participate in that meeting but obviously we have five people who sat on that Committee that heard the presentation was a lot different. I certainly have a problem that we are not going forward and understanding how we are getting there.

Mayor Baines called for a vote.

Deputy Clerk Johnson stated I have a motion by Alderman O'Neil to accept the report. I am looking for a second.

Alderman Lopez duly seconded the motion.

Alderman Guinta asked what happened to the motion to table.

Mayor Baines answered I didn't accept it. We are going to vote on it.

Alderman Guinta asked a motion to table doesn't supercede.

Mayor Baines called for a vote. Alderman Guinta requested a roll call. Aldermen Guinta, Osborne, Shea, Garrity, and Gatsas voted nay. Aldermen Sysyn, Porter, O'Neil, Lopez, DeVries, Smith, Forest and Roy voted yea. The motion carried.

Alderman Gatsas asked are those funds coming from another CIP project or bonded project.

Mr. Clougherty answered no. Those dollars will be advanced from funds not otherwise appropriated. If the dollars don't come back in, then it is a general fund appropriation.

Alderman Gatsas asked so none of these dollars are coming from other projects that weren't completed.

Mr. Clougherty asked the \$500,000 that you are providing for tonight through the \$390,000.

Alderman Gatsas answered yes.

Mr. Clougherty responded that is correct. You are not taking from something else. That would be above and beyond. It is an additional appropriation.

A report of the Committee on Community Improvement recommending that the Old Wellington Road signalization project be approved and that the \$100,000 for said project come out of the proceeds from the sale of the related property. It is intended that this project will be included in the FY2005 CIP budget.

Alderman Osborne stated I just want to go on record as being opposed to this.

Alderman O'Neil moved to accept, receive and adopt the report. Alderman Forest duly seconded the motion. Mayor Baines called for a vote. The motion carried with Aldermen Osborne and Shea being duly recorded in opposition.

A report of the Committee on Joint School Buildings advising that it has authorized an expenditure of up to \$1,083,439 from the School Facilities Improvement Project's contingency account to cover costs associated with unforeseen environmental issues (asbestos removal) as outlined.

Alderman Guinta stated I am not quite sure if we can take any action on this issue but at the Joint School Buildings meeting within the last 10 days or so the Committee approved an expenditure in excess of \$1 million from the contingency fund to pay for asbestos removal. I thought that this Board should have a discussion about it for a couple of reasons. One, if somebody can give me a history lesson didn't we have asbestos removal in the schools back in the 80's?

Mayor Baines responded only partial.

Alderman Guinta stated a follow-up would be how could...to me it doesn't seem like the \$1 million request was given due consideration.

Mayor Baines replied two things. The Committee on Joint School Buildings has that authority under state law.

Mr. Thomas stated the school design-build project included in the GMP \$2 million for asbestos removal. As the contractor gets in and starts ripping up things we are required to do additional testing. We knew that there were going to be additional costs for asbestos removal as you take up some of the tiles and you find that some of the glue that was used contained asbestos materials or you tear down a wall and find out that some of the insulation type materials have asbestos. So, we knew there was an asbestos issue. \$2 million approximately was built into the GMP. We also knew that there would be other asbestos materials discovered as the renovations took place as a result of the testing that we knew had to be done. This came up at the last minute at the Joint School Building Committee meeting quite frankly because our Facility Engineer was on vacation and he didn't get the paperwork down to the Committee in advance. That is the story in a nutshell.

Alderman Guinta asked are you saying that the \$2 million built into the GMP for the project was already expended.

Mr. Thomas answered the \$2 million in the GMP was for identified asbestos abatements that were from a visual type of inspection that was done. That was budgeted for. Part of the contingency money that we had placed outside the GMP we knew that there was going to be some additional asbestos remediation work along with other things that would come up. As I mentioned, you didn't know what was behind the wall or under the tile until it gets ripped up and that additional testing gets done. So it was contemplated...we addressed what we knew in the GMP and we provided contingency to address the unknown amounts that have now been defined.

Alderman Guinta asked when contingency is identified or created it is a percentage of the overall project number correct.

Mr. Thomas answered in some cases yes. In the case of the school design-build project there are actually a total of three contingencies. The contractor had his own contingency in his GMP number. The City identified a contingency in the GMP that would be utilized jointly and we had a contingency outside the GMP number.

Alderman Guinta asked and all of those contingencies totaled the \$6 million contingency fund that was included in the GMP?

Mr. Thomas answered not included in the GMP.

Alderman Guinta asked in addition to. What was the GMP?

Mr. Thomas answered I don't have the exact number.

Alderman Guinta asked is it the \$110 million minus \$6 million.



Mr. Thomas answered I believe so.

Alderman Guinta stated so in the contingency...I mean what I am trying to get at is you are saying somebody said we are going to have an expectation to pay for additional asbestos removal depending on what we find behind the tiles. You are saying that that number was somehow already identified in that \$6 million contingency?

Mr. Thomas responded no. When we set the contingency outside the GMP we knew that it was going to cover unknowns that came up during construction. We knew that there was going to be some amount of additional asbestos removal over and above what was allocated in the GMP.

Alderman Guinta stated the other point I had that is related to this issue is at that same meeting I believe there was a request or there was notice that there was a request that was going to be made for an additional \$400,000 to put stairs in. I guess I am really not clear as to how stairs would not be included in the project cost and why contingency should pay for that mistake.

Alderman Lopez stated under state law the Joint Committee has five Aldermen on that Committee and five School Board members. I would suggest, Alderman Guinta, that this be referred back to the Committee at a meeting that you can attend so you can get all of your answers from the Committee. They have full authority over it.

Alderman Guinta responded I am not questioning the authority of the Committee. I am asking why the money was expended. There is a big difference between the two and I think I have the right to ask it today.

Mr. Thomas replied I don't know what the issue is on the stairs. What I will do is I will have a memo put out to the entire Board within the next day regarding the stair issue.

Alderman Roy stated just because I do sit on Joint Schools to give some additional information to Alderman Guinta, for every school listed on the pages we got there is roughly a 20 page report listing out the materials and listing their locations and what was found and what type of hazard they were. I have received assurance from Tim Clougherty, who is heading up this project, that they didn't go looking for any additional asbestos. This was, as Frank alluded to or directly spoke to, walls that were opened up and things that were found beyond the scope of what was visually done in any of the reports for the School Facilities Committee or the contractor when he gave the GMP. There has been quite a bit of due diligence done on this.

Alderman Gatsas stated if we don't have any say in looking at this and certainly I know that watching the Joint Committee, Alderman Garrity asked the question why are we voting on this without seeing the information and that Committee just voted it through without waiting for information. I would suggest that when I start looking at this sheet and Frank I don't know if you have it before you but when I start looking at this sheet and I notice \$25,000 for Parker-Varney to move and store furniture and \$25,000 to move and store furniture at Hillside and provide new ceilings at \$98,000 at Hillside I would think that those numbers were incorporated somewhere in the design-build quote. I am also looking down and seeing that there is a contingency in the \$1 million of \$117,000. If they understand that there is a number in there, why are we applying another contingency to do that? We are taking money from contingency and applying another contingency to it? That doesn't make sense.

Mr. Thomas replied I cannot answer all of your questions. If you would like, I can have my Facility Engineer who is thoroughly involved in this project answer any questions that you would like.

Mayor Baines asked when is the next meeting of that Committee.

Mr. Thomas answered I am not sure.

Mayor Baines stated my suggestion is that you have him at the meeting and invite Aldermen who have questions to that meeting to get them answered.

Alderman Gatsas stated but these funds have already been moved and voted on and they are going to be paid and expended.

Mayor Baines responded and there are five Aldermen and five School Board members...it is the largest Committee we have to make sure that it gets the due diligence and they vote on it.

Alderman Guinta replied well only one got the vote right.

On motion of Alderman Garrity, duly seconded by Alderman Roy it was voted to accept, receive and adopt the report.

**Planning Board**

Kevin McCue to succeed himself, term to expire May 1, 2007

Harold Sullivan to succeed Joan Bennet, term to expire May 1, 2007

On motion of Alderman DeVries, duly seconded by Alderman Garrity, it was voted to suspend the rules and confirm the nominations as presented.

**Personnel Appeals Board**

Paul Martel, term to expire March 2007

**Millyard Design Review Committee**

Dennis Mires, Architectural Design, term to expire January 1, 2007

Fred Urtz, Millyard Owner, term to expire January 1, 2007

On motion of Alderman Porter, duly seconded by Alderman Guinta it was voted to suspend the rules and confirm the nominations as presented.

Mayor Baines stated since we have people patiently waiting, I am going to recommend something because it is such an important issue and everyone is tired and we have had a long night. I would like to address item 19 and accept a motion to refer this matter to the Committee on Administration.

Discussion regarding the 2005 revaluation.

On motion of Alderman Porter, duly seconded by Alderman Lopez it was voted to refer this item to the Committee on Administration.

On motion of Alderman Smith, duly seconded by Alderman Sysyn, it was voted to recess the meeting to allow the Committee on Finance to meet.

Mayor Baines called the meeting back to order.

**OTHER BUSINESS**

A report of the Committee on Finance was presented recommending that Fiscal Year 2005 Appropriating Resolutions:

“Raising Monies and Making Appropriations for the Fiscal Year 2005.”

“A Resolution appropriating to the Manchester Aggregation Program the sum of \$834,682 from Aggregation Fees for the Fiscal Year 2005.”

“A Resolution appropriating to the Manchester Airport Authority the sum of \$44,898,329 from Special Airport Revenue Funds for Fiscal Year 2005.”

“A Resolution appropriating the sum of \$2,890,903 from Recreation User Charges to the Recreation Division for Fiscal Year 2005.”

“A Resolution appropriating the sum of \$14,584,987 from Sewer User Rental Charges to the Environmental Protection Division for Fiscal Year 2005.”

“A Resolution appropriating to the Manchester Transit Authority the sum of \$1,061,785 for the Fiscal Year 2005.”

“A Resolution appropriating to the Manchester School District the sum of \$138,500,000 for the Fiscal Year 2005.”

“A Resolution appropriating to the Manchester School Food and Nutrition Services Program the sum of \$5,162,270 from School Food and Nutrition Services Revenues for Fiscal Year 2005.”

“Appropriating all Incremental Meals and Rooms Tax Revenue Received by the City in Fiscal Year 2005 and held in the Civic Center Fund, for the payment of the City’s Obligations in Said Fiscal Year Under the Financing Agreement.”

“A Resolution appropriating to the Central Business Service District the sum of \$225,000 from Central Business Service District Funds for Fiscal Year 2005.”

“Continuation of the Central Business Service District.”

“Approving the Community Improvement Program for 2005, Raising and Appropriating Monies Therefore, and Authorizing Implementation of Said Program.”

“Establishing a Manchester School District Capital Projects Expendable Trust.”

“Establishing a Manchester School District Facilities Maintenance and Repair Expendable Trust.”

“Establishing a Manchester School District Health Maintenance Expendable Trust.”

“Establishing a Manchester School District Athletic Equipment Expendable Trust.”

“Establishing a Manchester School District Special Education Expendable Trust.”

be referred to a public hearing on Monday, April 19, 2004 at 6:00 PM in the Aldermanic Chambers of City Hall; and that Bond Resolutions:

“Authorizing Bonds, Notes or Lease Purchases in the amount of Three Million Two Hundred Thousand Dollars (\$3,200,000) for the 2004 CIP 712004, Replace Sludge Dewatering Equipment Project.”

“Authorizing General Airport Revenue Bonds in the amount of One Hundred Million Dollars (\$100,000,000) for Refunding Certain Outstanding Municipal Revenue Bonds of the City issued on Behalf of Manchester Airport.”

ought to pass and layover; and, further that Resolution:

“Amending the FY2003 Community Improvement Program, authorizing and appropriating funds in the amount of Three Hundred and Ninety Thousand Dollars (\$390,000) for FY2003 CIP 811103 Senior Center Planning Project.”

pass and be enrolled.

Alderman Lopez moved to accept, receive and adopt the report. Alderman Forest duly seconded the motion. Mayor Baines called for a vote on the motion. The motion carried with Aldermen Gatsas, Guinta, Osborne, Shea and Garrity being duly recorded in opposition.

Ordinances:

“Amending certain provisions of the Motor Vehicles and Traffic Ordinances to provide for increased penalties for parking in a Handicapped Parking Space and to provide penalties for parking in a Handicapped Parking Space Access Aisle.”

“Amending Section 70.55 Residential Parking of the Code of Ordinances of the City of Manchester by adding additional area to Residential Parking Permit Zone #4.”

“Amending the Code of Ordinances of the City of Manchester by creating §75.00 Motorized Scooters established to govern the use of motorized scooters in the City of Manchester.”

“An Ordinance amending Section 92.24 Tampering with Alarm Boxes by establishing an initial and annual renewal fee for persons authorized under the Fire Department Listed Agent Program.”

“Amending the Zoning Ordinance of the City of Manchester by extending the B-2 (General Business) zoning district to include a portion of TPK 3-5A, a portion of TPK 3-5B, a portion of TPK 3-6, TPK 3-6A, TPK 3-7, & TPK 3-8 currently zoned R-3 (Urban Multifamily).”

“Amending the Zoning Ordinance of the City of Manchester by changing the maximum height of residential structures in the R-3 (Urban Multifamily) district from 35 feet to 45 feet.”

On motion of Alderman O'Neil, duly seconded by Alderman Lopez it was voted to dispense with the reading by titles only.

These Ordinances having had their second presentation by title only, Alderman DeVries moved on passing same to be Enrolled. Alderman Garrity duly seconded the motion. Mayor Baines called for a vote. There being none opposed, the motion carried.

On motion of Alderman Roy, duly seconded by Alderman Smith it was voted to recess the regular meeting to allow the Committee on Accounts, Enrollment and Revenue Administration to meet.

Mayor Baines called the meeting back to order.

A report of the Committee on Accounts, Enrollment and Revenue Administration was presented advising that Ordinances:

“Amending certain provisions of the Motor Vehicles and Traffic Ordinances to provide for increased penalties for parking in a Handicapped Parking Space and to provide penalties for parking in a Handicapped Parking Space Access Aisle.”

“Amending Section 70.55 Residential Parking of the Code of Ordinances of the City of Manchester by adding additional area to Residential Parking Permit Zone #4.”

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“Amending the Zoning Ordinance of the City of Manchester by changing the maximum height of residential structures in the R-3 (Urban Multifamily) district from 35 feet to 45 feet.”

were properly enrolled.

On motion of Alderman Smith, duly seconded by Alderman DeVries it was voted to accept the report of the Committee on Accounts, Enrollment and Revenue Administration.

Communication from Alderman Shea and Alderman Roy seeking the Board’s concurrence in naming the Livingston Park Baseball Field in honor of Min Valavane.

Mayor Baines stated I don’t know the history of the Livingston name. Would that name disappear under this?

Alderman Shea responded no Livingston Park would remain the same. It would just be Min Valavane Ballpark like the Mickey Hanagan Ballpark at South.

Mayor Baines asked so this is just to name the baseball field.

Alderman Shea answered that is correct.

Alderman Shea moved to name the Livingston Park Baseball Field in honor of Min Valavane. Alderman Roy duly seconded the motion.

Alderman Porter asked will there be a plaque or sign.

Alderman Shea responded if you go by Prout's Park you will see that Mickey Hanagan has a sign. Maybe Ron Johnson can come up and answer that.

Mayor Baines stated yes and while he is doing that you couldn’t have picked a better citizen of Manchester to name that field after. Talk about dedication to the youth of the City. Min Valavane was a first among equals.

Mr. Ron Johnson stated we will place a sign on the backstop. This is the field that is located right behind Dunkin Donuts. It is the baseball field that is used for Babe Ruth and high school baseball.

Alderman O'Neil asked can we just make sure...at Prout you can really only get to it off of Young Street. Can we make sure with Livingston because there are two different wants to get to it that we have two signs so people can see them? Not everyone goes and stands behind the backstop.

Mr. Johnson answered we can look at that.

Alderman O'Neil stated you can come in off of the Beech Street side or off of Daniel Webster Highway. I just want to make sure that it is honored properly at that site. I think at Prout Park Young Street is really the only way to get to it. This is probably going to be our best vote of the night.

Mayor Baines called for a vote. There being none opposed, the motion carried.

Communication from the Airport Director requesting authorization to negotiate and execute a purchase and sale agreement for the acquisition of an Aero-Hex hangar facility from Wiggins Airways at an estimated cost of \$280,000.00 per previous agreement with Wiggins Airways.

On motion of Alderman Osborne, duly seconded by Alderman Forest it was voted to authorize the Airport Director to negotiate and execute a purchase and sale agreement as requested subject to the review and approval of the City Solicitor.

Communication from the Public Works Director requesting to amend the City's landfill gas lease with Biomass Energy Partners, Inc., set to expire on May 7, 2004, to allow for a 15-year extension.

On motion of Alderman Osborne, duly seconded by Alderman Shea it was voted to approve the request and authorize the Mayor to execute an amendment to the landfill gas lease with Biomass Energy Partners, Inc. allowing for a 15-year extension, subject to the review and approval of the City Solicitor.

Communication from the Manchester Water Works Director seeking the Board's approval to accept a Quitclaim Deed from Albert Bourque on behalf of the City of Manchester for a one-acre parcel in the Town of Auburn.

On motion of Alderman Porter, duly seconded by Alderman Forest it was voted to approve the request accepting a Quitclaim Deed from Albert Bourque for a parcel of land in the Town of Auburn subject to the review and approval of the City Solicitor.

Communication from Portsmouth Mayor Evelyn Sirrell requesting the Board consider a financial contribution and resolution supporting the campaign to protect the Portsmouth Naval Shipyard from closure under the Department of Defense 2005 Base Realignment and Closure review process.

Alderman Garrity moved to receive and file the communication. Alderman Roy duly seconded the motion.

Alderman O'Neil stated it seems a considerable amount of money but I think there are quite a few Manchester residents that work at the Naval Shipyard. I just wish we would take a look and see if we could get a handle on how many there are. I am aware of quite a few that work there.

Alderman Roy stated as I believe the number that Portsmouth has put forward is a significant amount, I don't think we should diminish the fact that not only do we have Manchester residents working there but the economic impact that the shipyard has on the State of New Hampshire. I would at least like to see this in the hands of a committee so they can look at the impact on the City of Manchester and its taxpayers.

Alderman Lopez stated I think the least we could do while we are debating on money or going to committee is support a resolution supporting the campaign to protect the Portsmouth Naval Shipyard.

Mayor Baines stated we have a motion to receive and file. Will you withdraw that?

Alderman Garrity stated I will withdraw my motion.

Alderman Shea withdrew his second.

Alderman Lopez moved to have a resolution drawn up supporting the campaign to protect the Portsmouth Naval Shipyard. Alderman Garrity duly seconded the motion.

Alderman Gatsas asked this is not appropriating any money.

Mayor Baines answered correct.

Alderman Porter asked would that preclude any appropriating of any money. Would it be not worth finding out what other communities are doing?

Mayor Baines answered we are not precluded but somebody would have to make a motion to either refer the issue to a committee for a recommendation or to make an appropriation. It is just a resolution supporting what they are doing.

Alderman Gatsas stated I will make the motion to preclude it.

Mayor Baines responded no we have a motion on the floor and we are going to deal with that motion.



Alderman Shea stated I know this is going to not be received but they are asking for money for the Portsmouth Naval Shipyard and we can't even support something for our senior center. We have to get our priorities straight.

Mayor Baines responded all we are doing is supporting a resolution.

Mayor Baines called for a vote on the motion. There being none opposed, the motion carried.

Communication from Hal Jordan, President/CEO, Greater Manchester Family YMCA, requesting a waiver of building permit fees for the Dorms at the YMCA Project.

Alderman Shea asked if Leon LaFreniere to come forward to answer a question. Do you normally waive permits in this regard or is this something that is unique?

Mr. Leon LaFreniere responded this would be an unusual request were it granted. The only other circumstance where the Board has waived permit fees in recent history has been for the Police Athletic League for their project.

Mayor Baines asked so we have never waived it for any of the other non-profits.

Mr. LaFreniere answered no.

Alderman Shea asked so you have done it before.

Mr. LaFreniere answered no it has not been done before except by this Board for the recently completed PAL Center project.

Alderman Forest moved to receive and file. Alderman O'Neil duly seconded the motion.

Mayor Baines called for a vote. The motion carried with Aldermen Guinta and Garrity being duly recorded in opposition.

#### Ordinances:

“Amending certain provisions of the Motor Vehicles and Traffic Ordinances to provide for increased penalties for parking in a Handicapped Parking Space and to provide penalties for parking in a Handicapped Parking Space Access Aisle.”

“Amending Section 70.55 Residential Parking of the Code of Ordinances of the City of Manchester by adding additional area to Residential Parking Permit Zone #4.”

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“An Ordinance amending Section 92.24 Tampering with Alarm Boxes by establishing an initial and annual renewal fee for persons authorized under the Fire Department Listed Agent Program.”

“Amending the Zoning Ordinance of the City of Manchester by extending the B-2 (General Business) zoning district to include a portion of TPK 3-5A, a portion of TPK 3-5B, a portion of TPK 3-6, TPK 3-6A, TPK 3-7, & TPK 3-8 currently zoned R-3 (Urban Multifamily).”

“Amending the Zoning Ordinance of the City of Manchester by changing the maximum height of residential structures in the R-3 (Urban Multifamily) district from 35 feet to 45 feet.”

On motion of Alderman O'Neil, duly seconded by Alderman Forest it was voted to dispense with the reading by titles only.

These Ordinances having had their final presentation by title only, Alderman Forest moved on passing same to be Ordained. Alderman Smith duly seconded the motion. Mayor Baines called for a vote. There being none opposed, the motion carried.

Resolution:

“Amending the FY2003 Community Improvement Program, authorizing and appropriating funds in the amount of Three Hundred and Ninety Thousand Dollars (\$390,000) for FY2003 CIP 811103 Senior Center Planning Project.”

On motion of Alderman Forest, duly seconded by Alderman Sysyn it was voted to read the Resolution by title only, and it was so done.

Alderman Forest moved that the Resolution ought to pass and be enrolled. Alderman Lopez duly seconded the motion. Mayor Baines called for a vote. The motion carried with Aldermen Gatsas, Guinta, Osborne, Shea, and Garrity being duly recorded in opposition.

## **NEW BUSINESS**

Communication from Thomas Bowen, Water Works Director, requesting to allow Ms. Theresa McNeil special leave per Code of Ordinance 33.076(B) from the first week in April for an additional six month period and to temporarily fill Ms. McNeil's position with a limited term employment from funds already budgeted.

On motion of Alderman Smith, duly seconded by Alderman Forest it was voted to approve the request.

Alderman DeVries stated I have an item of new business. I would like to ask at this time that the Board of Mayor and Aldermen take action with me to go on record formally in opposition to SB429, which is due to come up on the House floor tomorrow. SB429 is going to preclude us here in the City from taking action as we have already done on City contracts to allow City tax dollars to be spent on the hiring of local taxpayers. We currently have two contracts that have been processed with 15% of those hires coming from the City of Manchester. I do not think that our taxpayers want us to preclude the opportunity to spend those City tax dollars wisely. I also feel that we on our last major contract, which was the \$105 million, were able to request that developer or contractor, Gilbane, to require of all of his subcontractors that they provide health insurance. Gilbane did not even wince once. They said absolutely and that is because this is a zero cost item. Contrary to what has been said in the newspaper we are asking only that it be provided. The resolution that is referred to in SB429 does not require any costs to be paid on the part of the contractors, only that it be available. With that in mind, I would like the rest of the Board to take a vote with us to be recorded tonight and to have it forwarded to Concord that on SB429 we are opposed.

Alderman DeVries moved to have the Board of Mayor and Aldermen go on record as opposed to SB429. Alderman Shea duly seconded the motion.

Alderman Gatsas asked did I understand you to say that the bill that is in legislation, SB429 or that Gilbane said that every one of their sub-contractors had health insurance and it was paid for.

Alderman DeVries responded no that is not at all what I said. What I was saying is that we have \$105 million contract with Gilbane. Within that we have a clause that requires every single contractor that touches part of that contract to provide health insurance. It doesn't say they have to pay for it. That is what the responsible employer ordinance was calling for. It did not require a contractor to make a payment, only to make available to an employee a group health insurance plan. It could be at 100% of the employee's cost or 10% of the employee's cost.

Alderman Gatsas asked can you show me where in that legislation it precludes that from happening.

Alderman DeVries answered it is not allowing us to employ any...I don't have it in front of me. Do you?

Alderman Gatsas responded I think that before you make a statement that it is not allowing you in that piece of legislation unless you have it before you and you can show me in that legislation where it doesn't allow that...

Mayor Baines interjected would it preclude us from saying a certain percentage of workers must be from Manchester. Does the legislation preclude that?

Alderman Gatsas answered no.

Mayor Baines asked it wouldn't.

Alderman Gatsas responded no it does not.

Alderman DeVries stated that certainly doesn't agree with what the *Union Leader* has been printing.

Alderman Gatsas replied with all due respect I think the Mayor had some choice words for what was printed in the *Union Leader* last night when we met about...

Mayor Baines interjected I wouldn't believe it just because it was printed in the local newspaper. I have already testified against that bill in the Senate and I will be up there tomorrow. I am just basing it on the premise that I don't know why we need legislators in Concord telling Manchester what to do. I am for less government and I just don't understand why people and there was a Senator that was quoted as saying, "the reason I am doing this is because the Mayor of Manchester introduced a responsible contractor ordinance." I never introduced anything of that nature. In fact, this Board never adopted it and the basic premise to me is that we don't need people in Concord telling people in Manchester and Derry or Nashua what to do. Forget about the issue. Why do people in Concord have to waste time telling us how to conduct our business? That is why I am opposed to it.

Alderman Porter stated they allow enabling legislation to avoid unfunded mandates and I believe the enabling legislation to allow the City of Manchester to do what it would like to do would be appropriate.

Mayor Baines responded well I think that is what Alderman DeVries is saying. Deputy Solicitor Arnold, do you have that legislation in front of you? Could you read some of the key provisions of that legislation?

Deputy Solicitor Arnold stated I can read the major portion here. It says, "Contracting Practices for Public Works. The state of New Hampshire, its agencies, municipalities, and instrumentalities thereof, when engaged in procuring products for public works projects or services for public works projects, or contracting for the manufacture of public works, shall ensure that bid specifications, project agreements, or other controlling documents required or subject to the approval of the agency, municipality, or instrumentality, do not restrict any bidder, contractor, or subcontractor based on union affiliation, the furnishing of certain employee fringe benefits, apprenticeship programs except as required by RSA 319-C and

RSA 329-A, compliance with a hiring plan unless required by the acceptance of federal funds, or public display of personal wage or benefits information. This section shall not apply to projects that do not use state or federal funds.”

Mayor Baines stated it seems pretty clear to me.

Alderman DeVries stated it is pretty clear that the hiring plan would address the ability for the City of Manchester to use Manchester tax dollars to hire locally and the certain employee fringe benefits addresses the health insurance. I would call for a vote at this time. It is 11:55 PM and people are going home at midnight.

Alderman Gatsas stated I believe that the \$104 million project you were talking about, Alderman, was taxpayer dollars from this City. That gives them the ability to put whatever criteria they want in there. This is talking about federal or state dollars. That is exactly what it is saying.

Mayor Baines responded excuse me but there are state dollars involved in that project because of the reimbursement from the state.

Alderman Gatsas replied that is a reimbursement. It is not in the project. The money is bonded and you are getting it back.

Mayor Baines called for a vote. Alderman DeVries requested a roll call vote. Aldermen DeVries, Smith, Roy, Porter, O’Neil, Lopez and Shea voted yea. Aldermen Garrity, Forest, Gatsas, Guinta, Sysyn, and Osborne voted nay. The motion carried.

Alderman Guinta asked who is the lobbyist going to be reporting to. Is that something that we need to discuss?

Mayor Baines responded I am going to sit down with Alderman Shea since he chaired that committee and we will figure out something together.

There being no further business, on motion of Alderman Smith, duly seconded by Alderman Garrity it was voted to adjourn.

A True Record. Attest.

City Clerk